

1.1 moves to amend H.F. No. 33, the first engrossment, as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1

1.4 DEPARTMENT OF HUMAN SERVICES HEALTH CARE PROGRAMS

1.5 Section 1. Minnesota Statutes 2020, section 256.01, subdivision 28, is amended to read:

1.6 Subd. 28. **Statewide health information exchange.** (a) The commissioner has the
1.7 authority to join and participate as a member in a legal entity developing and operating a
1.8 statewide health information exchange or to develop and operate an encounter alerting
1.9 service that shall meet the following criteria:

1.10 (1) the legal entity must meet all constitutional and statutory requirements to allow the
1.11 commissioner to participate; and

1.12 (2) the commissioner or the commissioner's designated representative must have the
1.13 right to participate in the governance of the legal entity under the same terms and conditions
1.14 and subject to the same requirements as any other member in the legal entity and in that
1.15 role shall act to advance state interests and lessen the burdens of government.

1.16 (b) Notwithstanding chapter 16C, the commissioner may pay the state's prorated share
1.17 of development-related expenses of the legal entity retroactively from October 29, 2007,
1.18 regardless of the date the commissioner joins the legal entity as a member.

1.19 Sec. 2. [256B.0371] DENTAL UTILIZATION REPORT.

1.20 (a) The commissioner shall submit an annual report beginning March 15, 2022, and
1.21 ending March 15, 2026, to the chairs and ranking minority members of the legislative
1.22 committees with jurisdiction over health and human services policy and finance that includes
1.23 the percentage for adults and children one through 20 years of age for the most recent

2.1 complete calendar year receiving at least one dental visit for both fee-for-service and the
 2.2 prepaid medical assistance program. The report must include:

2.3 (1) statewide utilization for both fee-for-service and for the prepaid medical assistance
 2.4 program;

2.5 (2) utilization by county;

2.6 (3) utilization by children receiving dental services through fee-for-service and through
 2.7 a managed care plan or county-based purchasing plan;

2.8 (4) utilization by adults receiving dental services through fee-for-service and through a
 2.9 managed care plan or county-based purchasing plan.

2.10 (b) The initial report due on March 15, 2022, must include the utilization metrics
 2.11 described in paragraph (a) for each of the following calendar years: 2017, 2018, 2019, and
 2.12 2020.

2.13 Sec. 3. Minnesota Statutes 2020, section 256B.04, subdivision 14, is amended to read:

2.14 Subd. 14. **Competitive bidding.** (a) When determined to be effective, economical, and
 2.15 feasible, the commissioner may utilize volume purchase through competitive bidding and
 2.16 negotiation under the provisions of chapter 16C, to provide items under the medical assistance
 2.17 program including but not limited to the following:

2.18 (1) eyeglasses;

2.19 (2) oxygen. The commissioner shall provide for oxygen needed in an emergency situation
 2.20 on a short-term basis, until the vendor can obtain the necessary supply from the contract
 2.21 dealer;

2.22 (3) hearing aids and supplies; ~~and~~

2.23 (4) durable medical equipment, including but not limited to:

2.24 (i) hospital beds;

2.25 (ii) commodes;

2.26 (iii) glide-about chairs;

2.27 (iv) patient lift apparatus;

2.28 (v) wheelchairs and accessories;

2.29 (vi) oxygen administration equipment;

2.30 (vii) respiratory therapy equipment;

3.1 (viii) electronic diagnostic, therapeutic and life-support systems; and

3.2 (ix) allergen-reducing products as described in section 256B.0625, subdivision 67,
3.3 paragraph (c) or (d);

3.4 (5) nonemergency medical transportation level of need determinations, disbursement of
3.5 public transportation passes and tokens, and volunteer and recipient mileage and parking
3.6 reimbursements; and

3.7 (6) drugs.

3.8 (b) Rate changes and recipient cost-sharing under this chapter and chapter 256L do not
3.9 affect contract payments under this subdivision unless specifically identified.

3.10 (c) The commissioner may not utilize volume purchase through competitive bidding
3.11 and negotiation under the provisions of chapter 16C for special transportation services or
3.12 incontinence products and related supplies.

3.13 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
3.14 whichever is later.

3.15 Sec. 4. Minnesota Statutes 2020, section 256B.055, subdivision 6, is amended to read:

3.16 Subd. 6. **Pregnant women; needy unborn child.** Medical assistance may be paid for
3.17 a pregnant woman who meets the other eligibility criteria of this section and whose unborn
3.18 child would be eligible as a needy child under subdivision 10 if born and living with the
3.19 woman. In accordance with Code of Federal Regulations, title 42, section 435.956, the
3.20 commissioner must accept self-attestation of pregnancy unless the agency has information
3.21 that is not reasonably compatible with such attestation. For purposes of this subdivision, a
3.22 woman is considered pregnant for ~~60 days~~ 12 months postpartum.

3.23 **EFFECTIVE DATE.** This section is effective July 1, 2022, or upon federal approval,
3.24 whichever is later. The commissioner shall notify the revisor of statutes when federal
3.25 approval has been obtained.

3.26 Sec. 5. Minnesota Statutes 2020, section 256B.056, subdivision 10, is amended to read:

3.27 Subd. 10. **Eligibility verification.** (a) The commissioner shall require women who are
3.28 applying for the continuation of medical assistance coverage following the end of the ~~60-day~~
3.29 12-month postpartum period to update their income and asset information and to submit
3.30 any required income or asset verification.

4.1 (b) The commissioner shall determine the eligibility of private-sector health care coverage
4.2 for infants less than one year of age eligible under section 256B.055, subdivision 10, or
4.3 256B.057, subdivision 1, paragraph (c), and shall pay for private-sector coverage if this is
4.4 determined to be cost-effective.

4.5 (c) The commissioner shall verify assets and income for all applicants, and for all
4.6 recipients upon renewal.

4.7 (d) The commissioner shall utilize information obtained through the electronic service
4.8 established by the secretary of the United States Department of Health and Human Services
4.9 and other available electronic data sources in Code of Federal Regulations, title 42, sections
4.10 435.940 to 435.956, to verify eligibility requirements. The commissioner shall establish
4.11 standards to define when information obtained electronically is reasonably compatible with
4.12 information provided by applicants and enrollees, including use of self-attestation, to
4.13 accomplish real-time eligibility determinations and maintain program integrity.

4.14 (e) Each person applying for or receiving medical assistance under section 256B.055,
4.15 subdivision 7, and any other person whose resources are required by law to be disclosed to
4.16 determine the applicant's or recipient's eligibility must authorize the commissioner to obtain
4.17 information from financial institutions to identify unreported accounts as required in section
4.18 256.01, subdivision 18f. If a person refuses or revokes the authorization, the commissioner
4.19 may determine that the applicant or recipient is ineligible for medical assistance. For purposes
4.20 of this paragraph, an authorization to identify unreported accounts meets the requirements
4.21 of the Right to Financial Privacy Act, United States Code, title 12, chapter 35, and need not
4.22 be furnished to the financial institution.

4.23 (f) County and tribal agencies shall comply with the standards established by the
4.24 commissioner for appropriate use of the asset verification system specified in section 256.01,
4.25 subdivision 18f.

4.26 **EFFECTIVE DATE.** This section is effective July 1, 2022, or upon federal approval,
4.27 whichever is later. The commissioner shall notify the revisor of statutes when federal
4.28 approval has been obtained.

4.29 Sec. 6. Minnesota Statutes 2020, section 256B.06, subdivision 4, is amended to read:

4.30 Subd. 4. **Citizenship requirements.** (a) Eligibility for medical assistance is limited to
4.31 citizens of the United States, qualified noncitizens as defined in this subdivision, and other
4.32 persons residing lawfully in the United States. Citizens or nationals of the United States
4.33 must cooperate in obtaining satisfactory documentary evidence of citizenship or nationality

5.1 according to the requirements of the federal Deficit Reduction Act of 2005, Public Law
5.2 109-171.

5.3 (b) "Qualified noncitizen" means a person who meets one of the following immigration
5.4 criteria:

5.5 (1) admitted for lawful permanent residence according to United States Code, title 8;

5.6 (2) admitted to the United States as a refugee according to United States Code, title 8,
5.7 section 1157;

5.8 (3) granted asylum according to United States Code, title 8, section 1158;

5.9 (4) granted withholding of deportation according to United States Code, title 8, section
5.10 1253(h);

5.11 (5) paroled for a period of at least one year according to United States Code, title 8,
5.12 section 1182(d)(5);

5.13 (6) granted conditional entrant status according to United States Code, title 8, section
5.14 1153(a)(7);

5.15 (7) determined to be a battered noncitizen by the United States Attorney General
5.16 according to the Illegal Immigration Reform and Immigrant Responsibility Act of 1996,
5.17 title V of the Omnibus Consolidated Appropriations Bill, Public Law 104-200;

5.18 (8) is a child of a noncitizen determined to be a battered noncitizen by the United States
5.19 Attorney General according to the Illegal Immigration Reform and Immigrant Responsibility
5.20 Act of 1996, title V, of the Omnibus Consolidated Appropriations Bill, Public Law 104-200;
5.21 or

5.22 (9) determined to be a Cuban or Haitian entrant as defined in section 501(e) of Public
5.23 Law 96-422, the Refugee Education Assistance Act of 1980.

5.24 (c) All qualified noncitizens who were residing in the United States before August 22,
5.25 1996, who otherwise meet the eligibility requirements of this chapter, are eligible for medical
5.26 assistance with federal financial participation.

5.27 (d) Beginning December 1, 1996, qualified noncitizens who entered the United States
5.28 on or after August 22, 1996, and who otherwise meet the eligibility requirements of this
5.29 chapter are eligible for medical assistance with federal participation for five years if they
5.30 meet one of the following criteria:

5.31 (1) refugees admitted to the United States according to United States Code, title 8, section
5.32 1157;

6.1 (2) persons granted asylum according to United States Code, title 8, section 1158;

6.2 (3) persons granted withholding of deportation according to United States Code, title 8,
6.3 section 1253(h);

6.4 (4) veterans of the United States armed forces with an honorable discharge for a reason
6.5 other than noncitizen status, their spouses and unmarried minor dependent children; or

6.6 (5) persons on active duty in the United States armed forces, other than for training,
6.7 their spouses and unmarried minor dependent children.

6.8 Beginning July 1, 2010, children and pregnant women who are noncitizens described
6.9 in paragraph (b) or who are lawfully present in the United States as defined in Code of
6.10 Federal Regulations, title 8, section 103.12, and who otherwise meet eligibility requirements
6.11 of this chapter, are eligible for medical assistance with federal financial participation as
6.12 provided by the federal Children's Health Insurance Program Reauthorization Act of 2009,
6.13 Public Law 111-3.

6.14 (e) Nonimmigrants who otherwise meet the eligibility requirements of this chapter are
6.15 eligible for the benefits as provided in paragraphs (f) to (h). For purposes of this subdivision,
6.16 a "nonimmigrant" is a person in one of the classes listed in United States Code, title 8,
6.17 section 1101(a)(15).

6.18 (f) Payment shall also be made for care and services that are furnished to noncitizens,
6.19 regardless of immigration status, who otherwise meet the eligibility requirements of this
6.20 chapter, if such care and services are necessary for the treatment of an emergency medical
6.21 condition.

6.22 (g) For purposes of this subdivision, the term "emergency medical condition" means a
6.23 medical condition that meets the requirements of United States Code, title 42, section
6.24 1396b(v).

6.25 (h)(1) Notwithstanding paragraph (g), services that are necessary for the treatment of
6.26 an emergency medical condition are limited to the following:

6.27 (i) services delivered in an emergency room or by an ambulance service licensed under
6.28 chapter 144E that are directly related to the treatment of an emergency medical condition;

6.29 (ii) services delivered in an inpatient hospital setting following admission from an
6.30 emergency room or clinic for an acute emergency condition; and

7.1 (iii) follow-up services that are directly related to the original service provided to treat
7.2 the emergency medical condition and are covered by the global payment made to the
7.3 provider.

7.4 (2) Services for the treatment of emergency medical conditions do not include:

7.5 (i) services delivered in an emergency room or inpatient setting to treat a nonemergency
7.6 condition;

7.7 (ii) organ transplants, stem cell transplants, and related care;

7.8 (iii) services for routine prenatal care;

7.9 (iv) continuing care, including long-term care, nursing facility services, home health
7.10 care, adult day care, day training, or supportive living services;

7.11 (v) elective surgery;

7.12 (vi) outpatient prescription drugs, unless the drugs are administered or dispensed as part
7.13 of an emergency room visit;

7.14 (vii) preventative health care and family planning services;

7.15 (viii) rehabilitation services;

7.16 (ix) physical, occupational, or speech therapy;

7.17 (x) transportation services;

7.18 (xi) case management;

7.19 (xii) prosthetics, orthotics, durable medical equipment, or medical supplies;

7.20 (xiii) dental services;

7.21 (xiv) hospice care;

7.22 (xv) audiology services and hearing aids;

7.23 (xvi) podiatry services;

7.24 (xvii) chiropractic services;

7.25 (xviii) immunizations;

7.26 (xix) vision services and eyeglasses;

7.27 (xx) waiver services;

7.28 (xxi) individualized education programs; or

8.1 (xxii) chemical dependency treatment.

8.2 (i) Pregnant noncitizens who are ineligible for federally funded medical assistance
8.3 because of immigration status, are not covered by a group health plan or health insurance
8.4 coverage according to Code of Federal Regulations, title 42, section 457.310, and who
8.5 otherwise meet the eligibility requirements of this chapter, are eligible for medical assistance
8.6 through the period of pregnancy, including labor and delivery, and ~~60 days~~ 12 months
8.7 postpartum, ~~to the extent federal funds are available under title XXI of the Social Security~~
8.8 ~~Act, and the state children's health insurance program.~~

8.9 (j) Beginning October 1, 2003, persons who are receiving care and rehabilitation services
8.10 from a nonprofit center established to serve victims of torture and are otherwise ineligible
8.11 for medical assistance under this chapter are eligible for medical assistance without federal
8.12 financial participation. These individuals are eligible only for the period during which they
8.13 are receiving services from the center. Individuals eligible under this paragraph shall not
8.14 be required to participate in prepaid medical assistance. The nonprofit center referenced
8.15 under this paragraph may establish itself as a provider of mental health targeted case
8.16 management services through a county contract under section 256.0112, subdivision 6. If
8.17 the nonprofit center is unable to secure a contract with a lead county in its service area, then,
8.18 notwithstanding the requirements of section 256B.0625, subdivision 20, the commissioner
8.19 may negotiate a contract with the nonprofit center for provision of mental health targeted
8.20 case management services. When serving clients who are not the financial responsibility
8.21 of their contracted lead county, the nonprofit center must gain the concurrence of the county
8.22 of financial responsibility prior to providing mental health targeted case management services
8.23 for those clients.

8.24 (k) Notwithstanding paragraph (h), clause (2), the following services are covered as
8.25 emergency medical conditions under paragraph (f) except where coverage is prohibited
8.26 under federal law for services under clauses (1) and (2):

8.27 (1) dialysis services provided in a hospital or freestanding dialysis facility;

8.28 (2) surgery and the administration of chemotherapy, radiation, and related services
8.29 necessary to treat cancer if the recipient has a cancer diagnosis that is not in remission and
8.30 requires surgery, chemotherapy, or radiation treatment; and

8.31 (3) kidney transplant if the person has been diagnosed with end stage renal disease, is
8.32 currently receiving dialysis services, and is a potential candidate for a kidney transplant.

8.33 (l) Effective July 1, 2013, recipients of emergency medical assistance under this
8.34 subdivision are eligible for coverage of the elderly waiver services provided under chapter

9.1 256S, and coverage of rehabilitative services provided in a nursing facility. The age limit
9.2 for elderly waiver services does not apply. In order to qualify for coverage, a recipient of
9.3 emergency medical assistance is subject to the assessment and reassessment requirements
9.4 of section 256B.0911. Initial and continued enrollment under this paragraph is subject to
9.5 the limits of available funding.

9.6 **EFFECTIVE DATE.** This section is effective July 1, 2022, or upon federal approval,
9.7 whichever is later. If federal approval is not obtained, this section is effective on the effective
9.8 date of the amendment to Minnesota Statutes, section 256B.055, subdivision 6, and shall
9.9 be funded using only state funds. The commissioner shall notify the revisor of statutes when
9.10 federal approval has been obtained.

9.11 Sec. 7. Minnesota Statutes 2020, section 256B.0625, subdivision 9, is amended to read:

9.12 Subd. 9. **Dental services.** (a) Medical assistance covers dental services.

9.13 (b) Medical assistance dental coverage for nonpregnant adults is limited to the following
9.14 services:

9.15 (1) comprehensive exams, limited to once every five years;

9.16 (2) periodic exams, limited to one per year;

9.17 (3) limited exams;

9.18 (4) bitewing x-rays, limited to one per year;

9.19 (5) periapical x-rays;

9.20 (6) panoramic x-rays, limited to one every five years except (1) when medically necessary
9.21 for the diagnosis and follow-up of oral and maxillofacial pathology and trauma or (2) once
9.22 every two years for patients who cannot cooperate for intraoral film due to a developmental
9.23 disability or medical condition that does not allow for intraoral film placement;

9.24 (7) prophylaxis, limited to one per year;

9.25 (8) application of fluoride varnish, limited to one per year;

9.26 (9) posterior fillings, all at the amalgam rate;

9.27 (10) anterior fillings;

9.28 (11) endodontics, limited to root canals on the anterior and premolars only;

9.29 (12) removable prostheses, each dental arch limited to one every six years;

9.30 (13) oral surgery, limited to extractions, biopsies, and incision and drainage of abscesses;

10.1 (14) palliative treatment and sedative fillings for relief of pain; ~~and~~

10.2 (15) full-mouth debridement, limited to one every five years; and

10.3 (16) nonsurgical treatment for periodontal disease, including scaling and root planing
 10.4 once every two years for each quadrant, and routine periodontal maintenance procedures.

10.5 (c) In addition to the services specified in paragraph (b), medical assistance covers the
 10.6 following services for adults, if provided in an outpatient hospital setting or freestanding
 10.7 ambulatory surgical center as part of outpatient dental surgery:

10.8 (1) periodontics, limited to periodontal scaling and root planing once every two years;

10.9 (2) general anesthesia; and

10.10 (3) full-mouth survey once every five years.

10.11 (d) Medical assistance covers medically necessary dental services for children and
 10.12 pregnant women. The following guidelines apply:

10.13 (1) posterior fillings are paid at the amalgam rate;

10.14 (2) application of sealants are covered once every five years per permanent molar for
 10.15 children only;

10.16 (3) application of fluoride varnish is covered once every six months; and

10.17 (4) orthodontia is eligible for coverage for children only.

10.18 (e) In addition to the services specified in paragraphs (b) and (c), medical assistance
 10.19 covers the following services for adults:

10.20 (1) house calls or extended care facility calls for on-site delivery of covered services;

10.21 (2) behavioral management when additional staff time is required to accommodate
 10.22 behavioral challenges and sedation is not used;

10.23 (3) oral or IV sedation, if the covered dental service cannot be performed safely without
 10.24 it or would otherwise require the service to be performed under general anesthesia in a
 10.25 hospital or surgical center; and

10.26 (4) prophylaxis, in accordance with an appropriate individualized treatment plan, but
 10.27 no more than four times per year.

10.28 (f) The commissioner shall not require prior authorization for the services included in
 10.29 paragraph (e), clauses (1) to (3), and shall prohibit managed care and county-based purchasing

11.1 plans from requiring prior authorization for the services included in paragraph (e), clauses
11.2 (1) to (3), when provided under sections 256B.69, 256B.692, and 256L.12.

11.3 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
11.4 whichever is later.

11.5 Sec. 8. Minnesota Statutes 2020, section 256B.0625, subdivision 13, is amended to read:

11.6 Subd. 13. **Drugs.** (a) Medical assistance covers drugs, except for fertility drugs when
11.7 specifically used to enhance fertility, if prescribed by a licensed practitioner and dispensed
11.8 by a licensed pharmacist, by a physician enrolled in the medical assistance program as a
11.9 dispensing physician, or by a physician, a physician assistant, or an advanced practice
11.10 registered nurse employed by or under contract with a community health board as defined
11.11 in section 145A.02, subdivision 5, for the purposes of communicable disease control.

11.12 (b) The dispensed quantity of a prescription drug must not exceed a 34-day supply,
11.13 unless authorized by the commissioner; or the drug appears on the 90-day supply list
11.14 published by the commissioner. The 90-day supply list shall be published by the
11.15 commissioner on the department's website. The commissioner may add to, delete from, and
11.16 otherwise modify the 90-day supply list after providing public notice and the opportunity
11.17 for a 15-day public comment period. The 90-day supply list may include cost-effective
11.18 generic drugs and shall not include controlled substances.

11.19 (c) For the purpose of this subdivision and subdivision 13d, an "active pharmaceutical
11.20 ingredient" is defined as a substance that is represented for use in a drug and when used in
11.21 the manufacturing, processing, or packaging of a drug becomes an active ingredient of the
11.22 drug product. An "excipient" is defined as an inert substance used as a diluent or vehicle
11.23 for a drug. The commissioner shall establish a list of active pharmaceutical ingredients and
11.24 excipients which are included in the medical assistance formulary. Medical assistance covers
11.25 selected active pharmaceutical ingredients and excipients used in compounded prescriptions
11.26 when the compounded combination is specifically approved by the commissioner or when
11.27 a commercially available product:

11.28 (1) is not a therapeutic option for the patient;

11.29 (2) does not exist in the same combination of active ingredients in the same strengths
11.30 as the compounded prescription; and

11.31 (3) cannot be used in place of the active pharmaceutical ingredient in the compounded
11.32 prescription.

12.1 (d) Medical assistance covers the following over-the-counter drugs when prescribed by
12.2 a licensed practitioner or by a licensed pharmacist who meets standards established by the
12.3 commissioner, in consultation with the board of pharmacy: antacids, acetaminophen, family
12.4 planning products, aspirin, insulin, products for the treatment of lice, vitamins for adults
12.5 with documented vitamin deficiencies, vitamins for children under the age of seven and
12.6 pregnant or nursing women, and any other over-the-counter drug identified by the
12.7 commissioner, in consultation with the Formulary Committee, as necessary, appropriate,
12.8 and cost-effective for the treatment of certain specified chronic diseases, conditions, or
12.9 disorders, and this determination shall not be subject to the requirements of chapter 14. A
12.10 pharmacist may prescribe over-the-counter medications as provided under this paragraph
12.11 for purposes of receiving reimbursement under Medicaid. When prescribing over-the-counter
12.12 drugs under this paragraph, licensed pharmacists must consult with the recipient to determine
12.13 necessity, provide drug counseling, review drug therapy for potential adverse interactions,
12.14 and make referrals as needed to other health care professionals.

12.15 (e) Effective January 1, 2006, medical assistance shall not cover drugs that are coverable
12.16 under Medicare Part D as defined in the Medicare Prescription Drug, Improvement, and
12.17 Modernization Act of 2003, Public Law 108-173, section 1860D-2(e), for individuals eligible
12.18 for drug coverage as defined in the Medicare Prescription Drug, Improvement, and
12.19 Modernization Act of 2003, Public Law 108-173, section 1860D-1(a)(3)(A). For these
12.20 individuals, medical assistance may cover drugs from the drug classes listed in United States
12.21 Code, title 42, section 1396r-8(d)(2), subject to this subdivision and subdivisions 13a to
12.22 13g, except that drugs listed in United States Code, title 42, section 1396r-8(d)(2)(E), shall
12.23 not be covered.

12.24 (f) Medical assistance covers drugs acquired through the federal 340B Drug Pricing
12.25 Program and dispensed by 340B covered entities and ambulatory pharmacies under common
12.26 ownership of the 340B covered entity. Medical assistance does not cover drugs acquired
12.27 through the federal 340B Drug Pricing Program and dispensed by 340B contract pharmacies.

12.28 (g) Notwithstanding paragraph (a), medical assistance covers self-administered hormonal
12.29 contraceptives prescribed and dispensed by a licensed pharmacist in accordance with section
12.30 151.37, subdivision 14; nicotine replacement medications prescribed and dispensed by a
12.31 licensed pharmacist in accordance with section 151.37, subdivision 15; and opiate antagonists
12.32 used for the treatment of an acute opiate overdose prescribed and dispensed by a licensed
12.33 pharmacist in accordance with section 151.37, subdivision 16.

12.34 **EFFECTIVE DATE.** This section is effective January 1, 2022.

13.1 Sec. 9. Minnesota Statutes 2020, section 256B.0625, subdivision 13c, is amended to read:

13.2 Subd. 13c. **Formulary Committee.** The commissioner, after receiving recommendations
13.3 from professional medical associations and professional pharmacy associations, and consumer
13.4 groups shall designate a Formulary Committee to carry out duties as described in subdivisions
13.5 13 to 13g. The Formulary Committee shall be comprised of four licensed physicians actively
13.6 engaged in the practice of medicine in Minnesota, one of whom must be actively engaged
13.7 in the treatment of persons with mental illness; at least three licensed pharmacists actively
13.8 engaged in the practice of pharmacy in Minnesota; and one consumer representative; the
13.9 remainder to be made up of health care professionals who are licensed in their field and
13.10 have recognized knowledge in the clinically appropriate prescribing, dispensing, and
13.11 monitoring of covered outpatient drugs. Members of the Formulary Committee shall not
13.12 be employed by the Department of Human Services, but the committee shall be staffed by
13.13 an employee of the department who shall serve as an ex officio, nonvoting member of the
13.14 committee. The department's medical director shall also serve as an ex officio, nonvoting
13.15 member for the committee. Committee members shall serve three-year terms and may be
13.16 reappointed by the commissioner. The Formulary Committee shall meet at least twice per
13.17 year. The commissioner may require more frequent Formulary Committee meetings as
13.18 needed. An honorarium of \$100 per meeting and reimbursement for mileage shall be paid
13.19 to each committee member in attendance. The Formulary Committee expires June 30, ~~2022~~
13.20 2023.

13.21 Sec. 10. Minnesota Statutes 2020, section 256B.0625, subdivision 13d, is amended to
13.22 read:

13.23 Subd. 13d. **Drug formulary.** (a) The commissioner shall establish a drug formulary. Its
13.24 establishment and publication shall not be subject to the requirements of the Administrative
13.25 Procedure Act, but the Formulary Committee shall review and comment on the formulary
13.26 contents.

13.27 (b) The formulary shall not include:

13.28 (1) drugs, active pharmaceutical ingredients, or products for which there is no federal
13.29 funding;

13.30 (2) over-the-counter drugs, except as provided in subdivision 13;

13.31 ~~(3) drugs or active pharmaceutical ingredients used for weight loss, except that medically~~
13.32 ~~necessary lipase inhibitors may be covered for a recipient with type II diabetes;~~

14.1 ~~(4)~~ (3) drugs or active pharmaceutical ingredients when used for the treatment of
 14.2 impotence or erectile dysfunction;

14.3 ~~(5)~~ (4) drugs or active pharmaceutical ingredients for which medical value has not been
 14.4 established;

14.5 ~~(6)~~ (5) drugs from manufacturers who have not signed a rebate agreement with the
 14.6 Department of Health and Human Services pursuant to section 1927 of title XIX of the
 14.7 Social Security Act; and

14.8 ~~(7)~~ (6) medical cannabis as defined in section 152.22, subdivision 6.

14.9 (c) If a single-source drug used by at least two percent of the fee-for-service medical
 14.10 assistance recipients is removed from the formulary due to the failure of the manufacturer
 14.11 to sign a rebate agreement with the Department of Health and Human Services, the
 14.12 commissioner shall notify prescribing practitioners within 30 days of receiving notification
 14.13 from the Centers for Medicare and Medicaid Services (CMS) that a rebate agreement was
 14.14 not signed.

14.15 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
 14.16 whichever is later. The commissioner shall notify the revisor of statutes when federal
 14.17 approval is obtained.

14.18 Sec. 11. Minnesota Statutes 2020, section 256B.0625, subdivision 13e, is amended to
 14.19 read:

14.20 Subd. 13e. **Payment rates.** (a) The basis for determining the amount of payment shall
 14.21 be the lower of the ingredient costs of the drugs plus the professional dispensing fee; or the
 14.22 usual and customary price charged to the public. The usual and customary price means the
 14.23 lowest price charged by the provider to a patient who pays for the prescription by cash,
 14.24 check, or charge account and includes prices the pharmacy charges to a patient enrolled in
 14.25 a prescription savings club or prescription discount club administered by the pharmacy or
 14.26 pharmacy chain. The amount of payment basis must be reduced to reflect all discount
 14.27 amounts applied to the charge by any third-party provider/insurer agreement or contract for
 14.28 submitted charges to medical assistance programs. The net submitted charge may not be
 14.29 greater than the patient liability for the service. The professional dispensing fee shall be
 14.30 ~~\$10.48~~ \$10.77 for prescriptions filled with legend drugs meeting the definition of "covered
 14.31 outpatient drugs" according to United States Code, title 42, section 1396r-8(k)(2). The
 14.32 dispensing fee for intravenous solutions that must be compounded by the pharmacist shall
 14.33 be ~~\$10.48~~ \$10.77 per ~~bag~~ claim. The professional dispensing fee for prescriptions filled

15.1 with over-the-counter drugs meeting the definition of covered outpatient drugs shall be
15.2 ~~\$10.48~~ \$10.77 for dispensed quantities equal to or greater than the number of units contained
15.3 in the manufacturer's original package. The professional dispensing fee shall be prorated
15.4 based on the percentage of the package dispensed when the pharmacy dispenses a quantity
15.5 less than the number of units contained in the manufacturer's original package. The pharmacy
15.6 dispensing fee for prescribed over-the-counter drugs not meeting the definition of covered
15.7 outpatient drugs shall be \$3.65 for quantities equal to or greater than the number of units
15.8 contained in the manufacturer's original package and shall be prorated based on the
15.9 percentage of the package dispensed when the pharmacy dispenses a quantity less than the
15.10 number of units contained in the manufacturer's original package. The National Average
15.11 Drug Acquisition Cost (NADAC) shall be used to determine the ingredient cost of a drug.
15.12 For drugs for which a NADAC is not reported, the commissioner shall estimate the ingredient
15.13 cost at the wholesale acquisition cost minus two percent. The ingredient cost of a drug for
15.14 a provider participating in the federal 340B Drug Pricing Program shall be either the 340B
15.15 Drug Pricing Program ceiling price established by the Health Resources and Services
15.16 Administration or NADAC, whichever is lower. Wholesale acquisition cost is defined as
15.17 the manufacturer's list price for a drug or biological to wholesalers or direct purchasers in
15.18 the United States, not including prompt pay or other discounts, rebates, or reductions in
15.19 price, for the most recent month for which information is available, as reported in wholesale
15.20 price guides or other publications of drug or biological pricing data. The maximum allowable
15.21 cost of a multisource drug may be set by the commissioner and it shall be comparable to
15.22 the actual acquisition cost of the drug product and no higher than the NADAC of the generic
15.23 product. Establishment of the amount of payment for drugs shall not be subject to the
15.24 requirements of the Administrative Procedure Act.

15.25 (b) Pharmacies dispensing prescriptions to residents of long-term care facilities using
15.26 an automated drug distribution system meeting the requirements of section 151.58, or a
15.27 packaging system meeting the packaging standards set forth in Minnesota Rules, part
15.28 6800.2700, that govern the return of unused drugs to the pharmacy for reuse, may employ
15.29 retrospective billing for prescription drugs dispensed to long-term care facility residents. A
15.30 retrospectively billing pharmacy must submit a claim only for the quantity of medication
15.31 used by the enrolled recipient during the defined billing period. A retrospectively billing
15.32 pharmacy must use a billing period not less than one calendar month or 30 days.

15.33 (c) A pharmacy provider using packaging that meets the standards set forth in Minnesota
15.34 Rules, part 6800.2700, is required to credit the department for the actual acquisition cost
15.35 of all unused drugs that are eligible for reuse, unless the pharmacy is using retrospective

16.1 billing. The commissioner may permit the drug clozapine to be dispensed in a quantity that
16.2 is less than a 30-day supply.

16.3 (d) If a pharmacy dispenses a multisource drug, the ingredient cost shall be the NADAC
16.4 of the generic product or the maximum allowable cost established by the commissioner
16.5 unless prior authorization for the brand name product has been granted according to the
16.6 criteria established by the Drug Formulary Committee as required by subdivision 13f,
16.7 paragraph (a), and the prescriber has indicated "dispense as written" on the prescription in
16.8 a manner consistent with section 151.21, subdivision 2.

16.9 (e) The basis for determining the amount of payment for drugs administered in an
16.10 outpatient setting shall be the lower of the usual and customary cost submitted by the
16.11 provider, 106 percent of the average sales price as determined by the United States
16.12 Department of Health and Human Services pursuant to title XVIII, section 1847a of the
16.13 federal Social Security Act, the specialty pharmacy rate, or the maximum allowable cost
16.14 set by the commissioner. If average sales price is unavailable, the amount of payment must
16.15 be lower of the usual and customary cost submitted by the provider, the wholesale acquisition
16.16 cost, the specialty pharmacy rate, or the maximum allowable cost set by the commissioner.
16.17 The commissioner shall discount the payment rate for drugs obtained through the federal
16.18 340B Drug Pricing Program by 28.6 percent. The payment for drugs administered in an
16.19 outpatient setting shall be made to the administering facility or practitioner. A retail or
16.20 specialty pharmacy dispensing a drug for administration in an outpatient setting is not
16.21 eligible for direct reimbursement.

16.22 (f) The commissioner may establish maximum allowable cost rates for specialty pharmacy
16.23 products that are lower than the ingredient cost formulas specified in paragraph (a). The
16.24 commissioner may require individuals enrolled in the health care programs administered
16.25 by the department to obtain specialty pharmacy products from providers with whom the
16.26 commissioner has negotiated lower reimbursement rates. Specialty pharmacy products are
16.27 defined as those used by a small number of recipients or recipients with complex and chronic
16.28 diseases that require expensive and challenging drug regimens. Examples of these conditions
16.29 include, but are not limited to: multiple sclerosis, HIV/AIDS, transplantation, hepatitis C,
16.30 growth hormone deficiency, Crohn's Disease, rheumatoid arthritis, and certain forms of
16.31 cancer. Specialty pharmaceutical products include injectable and infusion therapies,
16.32 biotechnology drugs, antihemophilic factor products, high-cost therapies, and therapies that
16.33 require complex care. The commissioner shall consult with the Formulary Committee to
16.34 develop a list of specialty pharmacy products subject to maximum allowable cost
16.35 reimbursement. In consulting with the Formulary Committee in developing this list, the

17.1 commissioner shall take into consideration the population served by specialty pharmacy
17.2 products, the current delivery system and standard of care in the state, and access to care
17.3 issues. The commissioner shall have the discretion to adjust the maximum allowable cost
17.4 to prevent access to care issues.

17.5 (g) Home infusion therapy services provided by home infusion therapy pharmacies must
17.6 be paid at rates according to subdivision 8d.

17.7 (h) The commissioner shall contract with a vendor to conduct a cost of dispensing survey
17.8 for all pharmacies that are physically located in the state of Minnesota that dispense outpatient
17.9 drugs under medical assistance. The commissioner shall ensure that the vendor has prior
17.10 experience in conducting cost of dispensing surveys. Each pharmacy enrolled with the
17.11 department to dispense outpatient prescription drugs to fee-for-service members must
17.12 respond to the cost of dispensing survey. The commissioner may sanction a pharmacy under
17.13 section 256B.064 for failure to respond. The commissioner shall require the vendor to
17.14 measure a single statewide cost of dispensing for specialty prescription drugs and a single
17.15 statewide cost of dispensing for nonspecialty prescription drugs for all responding pharmacies
17.16 to measure the mean, mean weighted by total prescription volume, mean weighted by
17.17 medical assistance prescription volume, median, median weighted by total prescription
17.18 volume, and median weighted by total medical assistance prescription volume. The
17.19 commissioner shall post a copy of the final cost of dispensing survey report on the
17.20 department's website. The initial survey must be completed no later than January 1, 2021,
17.21 and repeated every three years. The commissioner shall provide a summary of the results
17.22 of each cost of dispensing survey and provide recommendations for any changes to the
17.23 dispensing fee to the chairs and ranking members of the legislative committees with
17.24 jurisdiction over medical assistance pharmacy reimbursement.

17.25 (i) The commissioner shall increase the ingredient cost reimbursement calculated in
17.26 paragraphs (a) and (f) by 1.8 percent for prescription and nonprescription drugs subject to
17.27 the wholesale drug distributor tax under section 295.52.

17.28 **EFFECTIVE DATE.** This section is effective January 1, 2022, except the amendment
17.29 to paragraph (h) is effective the day following final enactment.

17.30 Sec. 12. Minnesota Statutes 2020, section 256B.0625, subdivision 13g, is amended to
17.31 read:

17.32 Subd. 13g. **Preferred drug list.** (a) The commissioner shall adopt and implement a
17.33 preferred drug list by January 1, 2004. The commissioner may enter into a contract with a
17.34 vendor for the purpose of participating in a preferred drug list and supplemental rebate

18.1 program. The commissioner shall ensure that any contract meets all federal requirements
 18.2 and maximizes federal financial participation. The commissioner shall publish the preferred
 18.3 drug list annually in the State Register and shall maintain an accurate and up-to-date list on
 18.4 the agency website.

18.5 (b) The commissioner may add to, delete from, and otherwise modify the preferred drug
 18.6 list, after consulting with the Formulary Committee and appropriate medical specialists and
 18.7 providing public notice and the opportunity for public comment.

18.8 (c) The commissioner shall adopt and administer the preferred drug list as part of the
 18.9 administration of the supplemental drug rebate program. Reimbursement for prescription
 18.10 drugs not on the preferred drug list may be subject to prior authorization.

18.11 (d) For purposes of this subdivision, "preferred drug list" means a list of prescription
 18.12 drugs within designated therapeutic classes selected by the commissioner, for which prior
 18.13 authorization based on the identity of the drug or class is not required.

18.14 (e) The commissioner shall seek any federal waivers or approvals necessary to implement
 18.15 this subdivision.

18.16 (f) Notwithstanding paragraph (b), before the commissioner may delete a drug from the
 18.17 preferred drug list or modify the inclusion of a drug on the preferred drug list, the
 18.18 commissioner shall consider any implications that the deletion or modification may have
 18.19 on state public health policies or initiatives and any impact that the deletion or modification
 18.20 may have on increasing health disparities in the state. Prior to deleting a drug or modifying
 18.21 the inclusion of a drug, the commissioner shall also conduct a public hearing. The
 18.22 commissioner shall provide adequate notice to the public and the commissioner of health
 18.23 prior to the hearing that specifies the drug that the commissioner is proposing to delete or
 18.24 modify, any public medical or clinical analysis that the commissioner has relied on in
 18.25 proposing the deletion or modification, and evidence that the commissioner has evaluated
 18.26 the impact of the proposed deletion or modification on public health and health disparities.

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

18.28 Sec. 13. Minnesota Statutes 2020, section 256B.0625, subdivision 18, is amended to read:

18.29 Subd. 18. **Bus Public transit or taxicab transportation.** (a) To the extent authorized
 18.30 by rule of the state agency, medical assistance covers the most appropriate and cost-effective
 18.31 form of transportation incurred by any ambulatory eligible person for obtaining
 18.32 nonemergency medical care.

19.1 (b) The commissioner may provide a monthly public transit pass to recipients who are
19.2 well-served by public transit for the recipient's nonemergency medical transportation needs.
19.3 Any recipient who is eligible for one public transit trip for a medically necessary covered
19.4 service may select to receive a transit pass for that month. Recipients who do not have any
19.5 transportation needs for a medically necessary service in any given month or who have
19.6 received a transit pass for that month through another program administered by a county or
19.7 Tribe are not eligible for a transit pass that month. The commissioner shall not require
19.8 recipients to select a monthly transit pass if the recipient's transportation needs cannot be
19.9 served by public transit systems. Recipients who receive a monthly transit pass are not
19.10 eligible for other modes of transportation, unless an unexpected need arises that cannot be
19.11 accessed through public transit.

19.12 **EFFECTIVE DATE.** This section is effective July 1, 2021.

19.13 Sec. 14. Minnesota Statutes 2020, section 256B.0625, subdivision 31, is amended to read:

19.14 Subd. 31. **Medical supplies and equipment.** (a) Medical assistance covers medical
19.15 supplies and equipment. Separate payment outside of the facility's payment rate shall be
19.16 made for wheelchairs and wheelchair accessories for recipients who are residents of
19.17 intermediate care facilities for the developmentally disabled. Reimbursement for wheelchairs
19.18 and wheelchair accessories for ICF/DD recipients shall be subject to the same conditions
19.19 and limitations as coverage for recipients who do not reside in institutions. A wheelchair
19.20 purchased outside of the facility's payment rate is the property of the recipient.

19.21 (b) Vendors of durable medical equipment, prosthetics, orthotics, or medical supplies
19.22 must enroll as a Medicare provider.

19.23 (c) When necessary to ensure access to durable medical equipment, prosthetics, orthotics,
19.24 or medical supplies, the commissioner may exempt a vendor from the Medicare enrollment
19.25 requirement if:

19.26 (1) the vendor supplies only one type of durable medical equipment, prosthetic, orthotic,
19.27 or medical supply;

19.28 (2) the vendor serves ten or fewer medical assistance recipients per year;

19.29 (3) the commissioner finds that other vendors are not available to provide same or similar
19.30 durable medical equipment, prosthetics, orthotics, or medical supplies; and

19.31 (4) the vendor complies with all screening requirements in this chapter and Code of
19.32 Federal Regulations, title 42, part 455. The commissioner may also exempt a vendor from
19.33 the Medicare enrollment requirement if the vendor is accredited by a Centers for Medicare

20.1 and Medicaid Services approved national accreditation organization as complying with the
 20.2 Medicare program's supplier and quality standards and the vendor serves primarily pediatric
 20.3 patients.

20.4 (d) Durable medical equipment means a device or equipment that:

20.5 (1) can withstand repeated use;

20.6 (2) is generally not useful in the absence of an illness, injury, or disability; and

20.7 (3) is provided to correct or accommodate a physiological disorder or physical condition
 20.8 or is generally used primarily for a medical purpose.

20.9 (e) Electronic tablets may be considered durable medical equipment if the electronic
 20.10 tablet will be used as an augmentative and alternative communication system as defined
 20.11 under subdivision 31a, paragraph (a). To be covered by medical assistance, the device must
 20.12 be locked in order to prevent use not related to communication.

20.13 (f) Notwithstanding the requirement in paragraph (e) that an electronic tablet must be
 20.14 locked to prevent use not as an augmentative communication device, a recipient of waiver
 20.15 services may use an electronic tablet for a use not related to communication when the
 20.16 recipient has been authorized under the waiver to receive one or more additional applications
 20.17 that can be loaded onto the electronic tablet, such that allowing the additional use prevents
 20.18 the purchase of a separate electronic tablet with waiver funds.

20.19 (g) An order or prescription for medical supplies, equipment, or appliances must meet
 20.20 the requirements in Code of Federal Regulations, title 42, part 440.70.

20.21 (h) Allergen-reducing products provided according to subdivision 67, paragraph (c) or
 20.22 (d), shall be considered durable medical equipment.

20.23 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
 20.24 whichever is later. The commissioner of human services shall notify the revisor of statutes
 20.25 when federal approval is obtained.

20.26 Sec. 15. Minnesota Statutes 2020, section 256B.0625, subdivision 58, is amended to read:

20.27 **Subd. 58. Early and periodic screening, diagnosis, and treatment services.** (a) Medical
 20.28 assistance covers early and periodic screening, diagnosis, and treatment services (EPSDT).
 20.29 In administering the EPSDT program, the commissioner shall, at a minimum:

20.30 (1) provide information to children and families, using the most effective mode identified,
 20.31 regarding:

21.1 (i) the benefits of preventative health care visits;
 21.2 (ii) the services available as part of the EPSDT program; and
 21.3 (iii) assistance finding a provider, transportation, or interpreter services;
 21.4 (2) maintain an up-to-date periodicity schedule published in the department policy
 21.5 manual, taking into consideration the most up-to-date community standard of care; and
 21.6 (3) maintain up-to-date policies for providers on the delivery of EPSDT services that
 21.7 are in the provider manual on the department website.

21.8 (b) The commissioner may contract for the administration of the outreach services as
 21.9 required within the EPSDT program.

21.10 (c) The commissioner may contract for the required EPSDT outreach services, including
 21.11 but not limited to children enrolled or attributed to an integrated health partnership
 21.12 demonstration project described in section 256B.0755. Integrated health partnerships that
 21.13 choose to include the EPSDT outreach services within the integrated health partnership's
 21.14 contracted responsibilities must receive compensation from the commissioner on a
 21.15 per-member per-month basis for each included child. Integrated health partnerships must
 21.16 accept responsibility for the effectiveness of outreach services it delivers. For children who
 21.17 are not a part of the demonstration project, the commissioner may contract for the
 21.18 administration of the outreach services.

21.19 (d) The payment amount for a complete EPSDT screening shall not include charges for
 21.20 health care services and products that are available at no cost to the provider and shall not
 21.21 exceed the rate established per Minnesota Rules, part 9505.0445, item M, effective October
 21.22 1, 2010.

21.23 **EFFECTIVE DATE.** This section is effective July 1, 2021, except that paragraph (c)
 21.24 is effective January 1, 2022.

21.25 Sec. 16. Minnesota Statutes 2020, section 256B.0625, is amended by adding a subdivision
 21.26 to read:

21.27 Subd. 67. **Enhanced asthma care services.** (a) Medical assistance covers enhanced
 21.28 asthma care services and related products to be provided in the children's homes for children
 21.29 with poorly controlled asthma. To be eligible for services and products under this subdivision,
 21.30 a child must:

22.1 (1) have poorly controlled asthma defined by having received health care for the child's
22.2 asthma from a hospital emergency department at least one time in the past year or have
22.3 been hospitalized for the treatment of asthma at least one time in the past year; and

22.4 (2) receive a referral for services and products under this subdivision from a treating
22.5 health care provider.

22.6 (b) Covered services include home visits provided by a registered environmental health
22.7 specialist or lead risk assessor currently credentialed by the Department of Health or a
22.8 healthy homes specialist credentialed by the Building Performance Institute.

22.9 (c) Covered products include the following allergen-reducing products that are identified
22.10 as needed and recommended for the child by a registered environmental health specialist,
22.11 healthy homes specialist, lead risk assessor, certified asthma educator, public health nurse,
22.12 or other health care professional providing asthma care for the child, and proven to reduce
22.13 asthma triggers:

22.14 (1) allergen encasements for mattresses, box springs, and pillows;

22.15 (2) an allergen-rated vacuum cleaner, filters, and bags;

22.16 (3) a dehumidifier and filters;

22.17 (4) HEPA single-room air cleaners and filters;

22.18 (5) integrated pest management, including traps and starter packages of food storage
22.19 containers;

22.20 (6) a damp mopping system;

22.21 (7) if the child does not have access to a bed, a waterproof hospital-grade mattress; and

22.22 (8) for homeowners only, furnace filters.

22.23 (d) The commissioner shall determine additional products that may be covered as new
22.24 best practices for asthma care are identified.

22.25 (e) A home assessment is a home visit to identify asthma triggers in the home and to
22.26 provide education on trigger-reducing products. A child is limited to two home assessments
22.27 except that a child may receive an additional home assessment if the child moves to a new
22.28 home; if a new asthma trigger, including tobacco smoke, enters the home; or if the child's
22.29 health care provider identifies a new allergy for the child, including an allergy to mold,
22.30 pests, pets, or dust mites. The commissioner shall determine the frequency with which a
22.31 child may receive a product under paragraph (c) or (d) based on the reasonable expected
22.32 lifetime of the product.

23.1 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
23.2 whichever is later. The commissioner of human services shall notify the revisor of statutes
23.3 when federal approval is obtained.

23.4 Sec. 17. Minnesota Statutes 2020, section 256B.0631, subdivision 1, is amended to read:

23.5 Subdivision 1. **Cost-sharing.** (a) Except as provided in subdivision 2, the medical
23.6 assistance benefit plan shall include the following cost-sharing for all recipients, effective
23.7 for services provided on or after September 1, 2011:

23.8 (1) \$3 per nonpreventive visit, except as provided in paragraph (b). For purposes of this
23.9 subdivision, a visit means an episode of service which is required because of a recipient's
23.10 symptoms, diagnosis, or established illness, and which is delivered in an ambulatory setting
23.11 by a physician or physician assistant, chiropractor, podiatrist, nurse midwife, advanced
23.12 practice nurse, audiologist, optician, or optometrist;

23.13 (2) \$3.50 for nonemergency visits to a hospital-based emergency room, except that this
23.14 co-payment shall be increased to \$20 upon federal approval;

23.15 (3) \$3 per brand-name drug prescription ~~and~~, \$1 per generic drug prescription, and \$1
23.16 per prescription for a brand-name multisource drug listed in preferred status on the preferred
23.17 drug list, subject to a \$12 per month maximum for prescription drug co-payments. No
23.18 co-payments shall apply to antipsychotic drugs when used for the treatment of mental illness;

23.19 (4) a family deductible equal to \$2.75 per month per family and adjusted annually by
23.20 the percentage increase in the medical care component of the CPI-U for the period of
23.21 September to September of the preceding calendar year, rounded to the next higher five-cent
23.22 increment; and

23.23 (5) total monthly cost-sharing must not exceed five percent of family income. For
23.24 purposes of this paragraph, family income is the total earned and unearned income of the
23.25 individual and the individual's spouse, if the spouse is enrolled in medical assistance and
23.26 also subject to the five percent limit on cost-sharing. This paragraph does not apply to
23.27 premiums charged to individuals described under section 256B.057, subdivision 9.

23.28 (b) Recipients of medical assistance are responsible for all co-payments and deductibles
23.29 in this subdivision.

23.30 (c) Notwithstanding paragraph (b), the commissioner, through the contracting process
23.31 under sections 256B.69 and 256B.692, may allow managed care plans and county-based
23.32 purchasing plans to waive the family deductible under paragraph (a), clause (4). The value
23.33 of the family deductible shall not be included in the capitation payment to managed care

24.1 plans and county-based purchasing plans. Managed care plans and county-based purchasing
 24.2 plans shall certify annually to the commissioner the dollar value of the family deductible.

24.3 (d) Notwithstanding paragraph (b), the commissioner may waive the collection of the
 24.4 family deductible described under paragraph (a), clause (4), from individuals and allow
 24.5 long-term care and waived service providers to assume responsibility for payment.

24.6 (e) Notwithstanding paragraph (b), the commissioner, through the contracting process
 24.7 under section 256B.0756 shall allow the pilot program in Hennepin County to waive
 24.8 co-payments. The value of the co-payments shall not be included in the capitation payment
 24.9 amount to the integrated health care delivery networks under the pilot program.

24.10 **EFFECTIVE DATE.** This section is effective January 1, 2022.

24.11 Sec. 18. Minnesota Statutes 2020, section 256B.69, is amended by adding a subdivision
 24.12 to read:

24.13 **Subd. 6f. Dental fee schedules.** (a) A managed care plan, county-based purchasing plan,
 24.14 or dental benefits administrator must provide individual dental providers, upon request, the
 24.15 applicable fee schedules for covered dental services provided under the contract between
 24.16 the dental provider and the managed care plan, county-based purchasing plan, or dental
 24.17 benefits administrator.

24.18 (b) A managed care plan, county-based purchasing plan, or dental benefits administrator
 24.19 may fulfill this requirement by making the applicable fee schedules available through a
 24.20 secure web portal for the contracted dental provider to access.

24.21 (c) For purposes of this subdivision, "dental benefits administrator" means an organization
 24.22 licensed under chapter 62C or 62D that contracts with a managed care plan or county-based
 24.23 purchasing plan to provide covered dental care services to enrollees of the plan.

24.24 Sec. 19. Minnesota Statutes 2020, section 256B.69, is amended by adding a subdivision
 24.25 to read:

24.26 **Subd. 9f. Annual report on provider reimbursement rates.** (a) The commissioner,
 24.27 by December 15 of each year, beginning December 15, 2021, shall submit to the chairs and
 24.28 ranking minority members of the legislative committees with jurisdiction over health care
 24.29 policy and finance a report on managed care and county-based purchasing plan provider
 24.30 reimbursement rates.

24.31 (b) The report must include, for each managed care and county-based purchasing plan,
 24.32 the mean and median provider reimbursement rates by county for the calendar year preceding

25.1 the reporting year, for the five most common billing codes statewide across all plans, in
 25.2 each of the following provider service categories if within the county there are more than
 25.3 three medical assistance enrolled providers providing the specific service within the specific
 25.4 category:

25.5 (1) physician prenatal services;

25.6 (2) physician preventive services;

25.7 (3) physician services other than prenatal or preventive;

25.8 (4) dental services;

25.9 (5) inpatient hospital services;

25.10 (6) outpatient hospital services; and

25.11 (7) mental health services.

25.12 (c) The commissioner shall also include in the report:

25.13 (1) the mean and median reimbursement rates across all plans by county for the calendar
 25.14 year preceding the reporting year for the billing codes and provider service categories
 25.15 described in paragraph (b); and

25.16 (2) the mean and median fee-for-service reimbursement rates by county for the calendar
 25.17 year preceding the reporting year for the billing codes and provider service categories
 25.18 described in paragraph (b).

25.19 Sec. 20. Minnesota Statutes 2020, section 256B.75, is amended to read:

25.20 **256B.75 HOSPITAL OUTPATIENT REIMBURSEMENT.**

25.21 (a) For outpatient hospital facility fee payments for services rendered on or after October
 25.22 1, 1992, the commissioner of human services shall pay the lower of (1) submitted charge,
 25.23 or (2) 32 percent above the rate in effect on June 30, 1992, except for those services for
 25.24 which there is a federal maximum allowable payment. Effective for services rendered on
 25.25 or after January 1, 2000, payment rates for nonsurgical outpatient hospital facility fees and
 25.26 emergency room facility fees shall be increased by eight percent over the rates in effect on
 25.27 December 31, 1999, except for those services for which there is a federal maximum allowable
 25.28 payment. Services for which there is a federal maximum allowable payment shall be paid
 25.29 at the lower of (1) submitted charge, or (2) the federal maximum allowable payment. Total
 25.30 aggregate payment for outpatient hospital facility fee services shall not exceed the Medicare
 25.31 upper limit. If it is determined that a provision of this section conflicts with existing or

26.1 future requirements of the United States government with respect to federal financial
26.2 participation in medical assistance, the federal requirements prevail. The commissioner
26.3 may, in the aggregate, prospectively reduce payment rates to avoid reduced federal financial
26.4 participation resulting from rates that are in excess of the Medicare upper limitations.

26.5 (b) Notwithstanding paragraph (a), payment for outpatient, emergency, and ambulatory
26.6 surgery hospital facility fee services for critical access hospitals designated under section
26.7 144.1483, clause (9), shall be paid on a cost-based payment system that is based on the
26.8 cost-finding methods and allowable costs of the Medicare program. Effective for services
26.9 provided on or after July 1, 2015, rates established for critical access hospitals under this
26.10 paragraph for the applicable payment year shall be the final payment and shall not be settled
26.11 to actual costs. Effective for services delivered on or after the first day of the hospital's fiscal
26.12 year ending in 2017, the rate for outpatient hospital services shall be computed using
26.13 information from each hospital's Medicare cost report as filed with Medicare for the year
26.14 that is two years before the year that the rate is being computed. Rates shall be computed
26.15 using information from Worksheet C series until the department finalizes the medical
26.16 assistance cost reporting process for critical access hospitals. After the cost reporting process
26.17 is finalized, rates shall be computed using information from Title XIX Worksheet D series.
26.18 The outpatient rate shall be equal to ancillary cost plus outpatient cost, excluding costs
26.19 related to rural health clinics and federally qualified health clinics, divided by ancillary
26.20 charges plus outpatient charges, excluding charges related to rural health clinics and federally
26.21 qualified health clinics.

26.22 (c) Effective for services provided on or after July 1, 2003, rates that are based on the
26.23 Medicare outpatient prospective payment system shall be replaced by a budget neutral
26.24 prospective payment system that is derived using medical assistance data. The commissioner
26.25 shall provide a proposal to the 2003 legislature to define and implement this provision.
26.26 When implementing prospective payment methodologies, the commissioner shall use general
26.27 methods and rate calculation parameters similar to the applicable Medicare prospective
26.28 payment systems for services delivered in outpatient hospital and ambulatory surgical center
26.29 settings unless other payment methodologies for these services are specified in this chapter.

26.30 (d) For fee-for-service services provided on or after July 1, 2002, the total payment,
26.31 before third-party liability and spenddown, made to hospitals for outpatient hospital facility
26.32 services is reduced by .5 percent from the current statutory rate.

26.33 (e) In addition to the reduction in paragraph (d), the total payment for fee-for-service
26.34 services provided on or after July 1, 2003, made to hospitals for outpatient hospital facility
26.35 services before third-party liability and spenddown, is reduced five percent from the current

27.1 statutory rates. Facilities defined under section 256.969, subdivision 16, are excluded from
 27.2 this paragraph.

27.3 (f) In addition to the reductions in paragraphs (d) and (e), the total payment for
 27.4 fee-for-service services provided on or after July 1, 2008, made to hospitals for outpatient
 27.5 hospital facility services before third-party liability and spenddown, is reduced three percent
 27.6 from the current statutory rates. Mental health services and facilities defined under section
 27.7 256.969, subdivision 16, are excluded from this paragraph.

27.8 Sec. 21. Minnesota Statutes 2020, section 256B.79, subdivision 1, is amended to read:

27.9 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
 27.10 the meanings given them.

27.11 (b) "Adverse outcomes" means maternal opiate addiction, other reportable prenatal
 27.12 substance abuse, low birth weight, or preterm birth.

27.13 (c) "Qualified integrated perinatal care collaborative" or "collaborative" means a
 27.14 combination of (1) members of community-based organizations that represent communities
 27.15 within the identified targeted populations, and (2) local or tribally based service entities,
 27.16 including health care, public health, social services, mental health, chemical dependency
 27.17 treatment, and community-based providers, determined by the commissioner to meet the
 27.18 criteria for the provision of integrated care and enhanced services for enrollees within
 27.19 targeted populations.

27.20 (d) "Targeted populations" means pregnant medical assistance enrollees residing in
 27.21 ~~geographic areas~~ communities identified by the commissioner as being at above-average
 27.22 risk for adverse outcomes.

27.23 Sec. 22. Minnesota Statutes 2020, section 256B.79, subdivision 3, is amended to read:

27.24 Subd. 3. **Grant awards.** The commissioner shall award grants to qualifying applicants
 27.25 to support interdisciplinary, integrated perinatal care. Grant funds must be distributed through
 27.26 a request for proposals process to a designated lead agency within an entity that has been
 27.27 determined to be a qualified integrated perinatal care collaborative or within an entity in
 27.28 the process of meeting the qualifications to become a qualified integrated perinatal care
 27.29 collaborative, ~~and priority shall be given to qualified integrated perinatal care collaboratives~~
 27.30 ~~that received grants under this section prior to January 1, 2019.~~ Grant awards must be used
 27.31 to support interdisciplinary, team-based needs assessments, planning, and implementation
 27.32 of integrated care and enhanced services for targeted populations. In determining grant

28.1 award amounts, the commissioner shall consider the identified health and social risks linked
 28.2 to adverse outcomes and attributed to enrollees within the identified targeted population.

28.3 **Sec. 23. [256B.795] MATERNAL AND INFANT HEALTH REPORT.**

28.4 (a) The commissioner of human services, in consultation with the commissioner of
 28.5 health, shall submit a biennial report beginning April 15, 2022, to the chairs and ranking
 28.6 minority members of the legislative committees with jurisdiction over health policy and
 28.7 finance on the effectiveness of state maternal and infant health policies and programs
 28.8 addressing health disparities in prenatal and postpartum health outcomes. For each reporting
 28.9 period, the commissioner shall determine the number of women enrolled in the medical
 28.10 assistance program who are pregnant or are in the 12-month postpartum period of eligibility
 28.11 and the percentage of women in that group who, during each reporting period:

28.12 (1) received prenatal services;

28.13 (2) received doula services;

28.14 (3) gave birth by primary cesarean section;

28.15 (4) gave birth to an infant who received care in the neonatal intensive care unit;

28.16 (5) gave birth to an infant who was premature or who had a low birth weight;

28.17 (6) experienced postpartum hemorrhage;

28.18 (7) received postpartum care within six weeks of giving birth; and

28.19 (8) received a prenatal and postpartum follow-up home visit from a public health nurse.

28.20 (b) These measurements must be determined through an analysis of the utilization data
 28.21 from claims submitted during each reporting period and by any other appropriate means.

28.22 The measurements for each metric must be determined in the aggregate stratified by race
 28.23 and ethnicity.

28.24 (c) The commissioner shall establish a baseline for the metrics described in paragraph
 28.25 (a) using calendar year 2017. The initial report due April 15, 2022, must contain the baseline
 28.26 metrics and the metrics data for calendar years 2019 and 2020. The following reports due
 28.27 biennially thereafter must contain the metrics for the preceding two calendar years.

28.28 Sec. 24. Minnesota Statutes 2020, section 256L.07, subdivision 2, is amended to read:

28.29 Subd. 2. **Must not have access to employer-subsidized minimum essential**
 28.30 **coverage.** (a) To be eligible, a family or individual must not have access to subsidized health

29.1 coverage that is affordable and provides minimum value as defined in Code of Federal
29.2 Regulations, title 26, section 1.36B-2.

29.3 (b) Notwithstanding paragraph (a), an individual who has access through a spouse's or
29.4 parent's employer to subsidized health coverage that is deemed minimum essential coverage
29.5 under Code of Federal Regulations, title 26, section 1.36B-2, is eligible for MinnesotaCare
29.6 if the employee's portion of the annual premium for employee and dependent coverage
29.7 exceeds the required contribution percentage, as defined for premium tax credit eligibility
29.8 under United States Code, title 26, section 36B(c)(2)(C)(i)(II), as indexed according to item
29.9 (iv) of that section, of the individual's household income for the coverage year.

29.10 (c) This subdivision does not apply to a family or individual who no longer has
29.11 employer-subsidized coverage due to the employer terminating health care coverage as an
29.12 employee benefit.

29.13 **EFFECTIVE DATE.** This section is effective January 1, 2023.

29.14 Sec. 25. Minnesota Statutes 2020, section 256L.15, subdivision 2, is amended to read:

29.15 Subd. 2. **Sliding fee scale; monthly individual or family income.** (a) The commissioner
29.16 shall establish a sliding fee scale to determine the percentage of monthly individual or family
29.17 income that households at different income levels must pay to obtain coverage through the
29.18 MinnesotaCare program. The sliding fee scale must be based on the enrollee's monthly
29.19 individual or family income.

29.20 (b) Beginning January 1, 2014, MinnesotaCare enrollees shall pay premiums according
29.21 to the premium scale specified in paragraph (d).

29.22 (c) Paragraph (b) does not apply to:

29.23 (1) children 20 years of age or younger; and

29.24 (2) individuals with household incomes below 35 percent of the federal poverty
29.25 guidelines.

29.26 (d) The following premium scale is established for each individual in the household who
29.27 is 21 years of age or older and enrolled in MinnesotaCare:

	Federal Poverty Guideline	Less than	Individual Premium
	Greater than or Equal to		Amount
29.30	35%	55%	\$4
29.31	55%	80%	\$6
29.32	80%	90%	\$8

30.1	90%	100%	\$10
30.2	100%	110%	\$12
30.3	110%	120%	\$14
30.4	120%	130%	\$15
30.5	130%	140%	\$16
30.6	140%	150%	\$25
30.7	150%	160%	\$37
30.8	160%	170%	\$44
30.9	170%	180%	\$52
30.10	180%	190%	\$61
30.11	190%	200%	\$71
30.12	200%		\$80

30.13 (e) Beginning January 1, 2021, the commissioner shall adjust the premium scale
 30.14 established under paragraph (d) to ensure that premiums do not exceed the amount that an
 30.15 individual would have been required to pay if the individual was enrolled in an applicable
 30.16 benchmark plan in accordance with the Code of Federal Regulations, title 42, section
 30.17 600.505(a)(1).

30.18 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2021 and
 30.19 applies to premiums due on or after that date.

30.20 Sec. 26. **FEDERAL APPROVAL; EXTENSION OF POSTPARTUM COVERAGE.**

30.21 The commissioner of human services shall seek all federal waivers and approvals
 30.22 necessary to extend medical assistance postpartum coverage, as provided in Minnesota
 30.23 Statutes, sections 256B.055, subdivision 6, and 256B.06, subdivision 4.

30.24 Sec. 27. **COVID-19 TREATMENT, TESTING, AND VACCINATION.**

30.25 Medical assistance covers treatment, testing, and vaccination for COVID-19 as required
 30.26 under and for the time periods specified in section 9811 of the federal American Rescue
 30.27 Plan Act, Public Law 117-2.

30.28 **EFFECTIVE DATE.** This section is effective retroactively from March 11, 2021.

30.29 Sec. 28. **DENTAL HOME DEMONSTRATION PROJECT.**

30.30 (a) The Dental Services Advisory Committee, in collaboration with stakeholders, shall
 30.31 design a dental home demonstration project and present recommendations by February 1,

31.1 2022, to the commissioner and the chairs and ranking minority members of the legislative
 31.2 committees with jurisdiction over health finance and policy.

31.3 (b) The Dental Services Advisory Committee, at a minimum, shall engage with the
 31.4 following stakeholders: the Minnesota Department of Health, the Minnesota Dental
 31.5 Association, the Minnesota Dental Hygienists' Association, the University of Minnesota
 31.6 School of Dentistry, dental programs operated by the Minnesota State Colleges and
 31.7 Universities system, and representatives of each of the following dental provider types
 31.8 serving medical assistance and MinnesotaCare enrollees:

31.9 (1) private practice dental clinics for which medical assistance and MinnesotaCare
 31.10 enrollees comprise more than 25 percent of the clinic's patient load;

31.11 (2) private practice dental clinics for which medical assistance and MinnesotaCare
 31.12 enrollees comprise 25 percent or less of the clinic's patient load;

31.13 (3) nonprofit dental clinics with a primary focus on serving Indigenous communities
 31.14 and other communities of color;

31.15 (4) nonprofit dental clinics with a primary focus on providing eldercare;

31.16 (5) nonprofit dental clinics with a primary focus on serving children;

31.17 (6) nonprofit dental clinics providing services within the seven-county metropolitan
 31.18 area;

31.19 (7) nonprofit dental clinics providing services outside of the seven-county metropolitan
 31.20 area; and

31.21 (8) multispecialty hospital-based dental clinics.

31.22 (c) The dental home demonstration project shall give incentives for qualified providers
 31.23 that provide high-quality, patient-centered, comprehensive, and coordinated oral health
 31.24 services. The demonstration project shall seek to increase the number of new dental providers
 31.25 serving medical assistance and MinnesotaCare enrollees and increase the capacity of existing
 31.26 providers. The demonstration project must test payment methods that establish value-based
 31.27 incentives to:

31.28 (1) increase the extent to which current dental providers serve medical assistance and
 31.29 MinnesotaCare enrollees across their lifespan;

31.30 (2) develop service models that create equity and reduce disparities in access to dental
 31.31 services for high-risk and medically and socially complex enrollees;

- 32.1 (3) advance alternative delivery models of care within community settings using
 32.2 evidence-based approaches and innovative workforce teams; and
 32.3 (4) improve the quality of dental care by meeting dental home goals.

32.4 Sec. 29. **OVERPAYMENTS FOR DURABLE MEDICAL EQUIPMENT,**
 32.5 **PROSTHETICS, ORTHOTICS, OR SUPPLIES.**

32.6 (a) Notwithstanding any other law to the contrary, providers who received payment for
 32.7 durable medical equipment, prosthetics, orthotics, or supplies between January 1, 2018, and
 32.8 June 30, 2019, that were subject to the upper payment limits under United States Code, title
 32.9 42, section 1396b(i)(27), shall not be required to repay any amount received in excess of
 32.10 the allowable amount to either the state or the Centers for Medicare and Medicaid Services.

32.11 (b) The state shall repay with state funds any amount owed to the Centers for Medicare
 32.12 and Medicaid Services for the federal financial participation amount received by the state
 32.13 for payments identified in paragraph (a) in excess of the amount allowed effective January
 32.14 1, 2018, and the state shall hold harmless the providers who received these payments from
 32.15 recovery of both the state and federal share of the amount determined to have exceeded the
 32.16 Medicare upper payment limit.

32.17 (c) Nothing in this section shall be construed to prohibit the commissioner from recouping
 32.18 past overpayments due to false claims or for reasons other than exceeding the Medicare
 32.19 upper payment limits or from recouping future overpayments including the recoupment of
 32.20 payments that exceed the upper Medicare payment limits.

32.21 Sec. 30. **PROPOSED FORMULARY COMMITTEE.**

32.22 By March 1, 2022, the commissioner of human services, after soliciting recommendations
 32.23 from professional medical associations, professional pharmacy associations, and consumer
 32.24 groups, shall submit to the chairs and ranking minority members of the legislative committees
 32.25 with jurisdiction over health and human services an overview of the Formulary Committee
 32.26 under Minnesota Statutes, section 256B.0625, subdivision 13c, that includes:

32.27 (1) a review of the current composition of and any recommended revisions to the
 32.28 membership of the committee. The review shall ensure the committee is composed of
 32.29 adequate representation of consumers and health care professionals with expertise in clinical
 32.30 prescribing; and

33.1 (2) a summary of the committee's policies and procedures for the operation of the
33.2 committee, opportunities for public input, providing public notice, and gathering public
33.3 comments on the committee's recommendations and proposed actions.

33.4 Sec. 31. **RESPONSE TO COVID-19 PUBLIC HEALTH EMERGENCY.**

33.5 (a) Notwithstanding Minnesota Statutes, section 256B.057, subdivision 9, 256L.06,
33.6 subdivision 3, or any other provision to the contrary, the commissioner shall not collect any
33.7 unpaid premium for a coverage month that occurred during the COVID-19 public health
33.8 emergency declared by the United States Secretary of Health and Human Services.

33.9 (b) Notwithstanding any provision to the contrary, periodic data matching under
33.10 Minnesota Statutes, section 256B.0561, subdivision 2, may be suspended for up to six
33.11 months following the last day of the COVID-19 public health emergency declared by the
33.12 United States Secretary of Health and Human Services.

33.13 (c) Notwithstanding any provision to the contrary, the requirement for the commissioner
33.14 of human services to issue an annual report on periodic data matching under Minnesota
33.15 Statutes, section 256B.0561, is suspended for one year following the last day of the
33.16 COVID-19 public health emergency declared by the United States Secretary of Health and
33.17 Human Services.

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

33.19 Sec. 32. **DENTAL PROGRAM DELIVERY STUDY.**

33.20 (a) The commissioner of human services shall review the Medicaid dental program
33.21 delivery systems in states that have enacted and implemented a carve out dental delivery
33.22 system. At a minimum, the review must compare in those states program design, provider
33.23 rates, program costs, including administrative costs, and quality metrics for children one
33.24 through 20 years of age with at least one preventive dental service within a year.

33.25 (b) The commissioner, in consultation with interested stakeholders, shall also conduct
33.26 an analysis of dental provider hesitancy to participate in the medical assistance program as
33.27 an enrolled provider.

33.28 (c) By February 1, 2022, the commissioner shall submit to the chairs and ranking minority
33.29 members of the legislative committees with jurisdiction over health and human services
33.30 policy and finance the results of the review and analysis described in this section. The
33.31 commissioner may combine the requirements in this section with the dental home
33.32 demonstration project report due on February 1, 2022.

34.1 Sec. 33. **REPEALER.**

34.2 (a) Minnesota Rules, parts 9505.0275; 9505.1693; 9505.1696, subparts 1, 2, 3, 4, 5, 6,
 34.3 7, 8, 9, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, and 22; 9505.1699; 9505.1701; 9505.1703;
 34.4 9505.1706; 9505.1712; 9505.1715; 9505.1718; 9505.1724; 9505.1727; 9505.1730;
 34.5 9505.1733; 9505.1736; 9505.1739; 9505.1742; 9505.1745; and 9505.1748, are repealed.

34.6 (b) Minnesota Statutes 2020, section 16A.724, subdivision 2, is repealed effective July
 34.7 1, 2025.

34.8 **ARTICLE 2**

34.9 **DEPARTMENT OF HUMAN SERVICES**
 34.10 **LICENSING AND BACKGROUND STUDIES**

34.11 Section 1. Minnesota Statutes 2020, section 62V.05, is amended by adding a subdivision
 34.12 to read:

34.13 Subd. 4a. **Background study required.** (a) The board must initiate background studies
 34.14 under section 245C.031 of:

34.15 (1) each navigator;

34.16 (2) each in-person assister; and

34.17 (3) each certified application counselor.

34.18 (b) The board may initiate the background studies required by paragraph (a) using the
 34.19 online NETStudy 2.0 system operated by the commissioner of human services.

34.20 (c) The board shall not permit any individual to provide any service or function listed
 34.21 in paragraph (a) until the board has received notification from the commissioner of human
 34.22 services indicating that the individual:

34.23 (1) is not disqualified under chapter 245C; or

34.24 (2) is disqualified, but has received a set aside from the board of that disqualification
 34.25 according to sections 245C.22 and 245C.23.

34.26 (d) The board or its delegate shall review a reconsideration request of an individual in
 34.27 paragraph (a), including granting a set aside, according to the procedures and criteria in
 34.28 chapter 245C. The board shall notify the individual and the Department of Human Services
 34.29 of the board's decision.

35.1 Sec. 2. Minnesota Statutes 2020, section 122A.18, subdivision 8, is amended to read:

35.2 Subd. 8. **Background ~~checks~~ studies.** (a) The Professional Educator Licensing and
35.3 Standards Board and the Board of School Administrators must ~~obtain a~~ initiate criminal
35.4 history background ~~check on~~ studies of all first-time ~~teaching~~ applicants for educator licenses
35.5 under their jurisdiction. Applicants must include with their licensure applications:

35.6 (1) an executed criminal history consent form, including fingerprints; and

35.7 (2) payment to conduct the background ~~check~~ study. The Professional Educator Licensing
35.8 and Standards Board must deposit payments received under this subdivision in an account
35.9 in the special revenue fund. Amounts in the account are annually appropriated to the
35.10 Professional Educator Licensing and Standards Board to pay for the costs of background
35.11 ~~checks~~ studies on applicants for licensure.

35.12 (b) The background ~~check~~ study for all first-time teaching applicants for licenses must
35.13 include a review of information from the Bureau of Criminal Apprehension, including
35.14 criminal history data as defined in section 13.87, and must also include a review of the
35.15 national criminal records repository. The superintendent of the Bureau of Criminal
35.16 Apprehension is authorized to exchange fingerprints with the Federal Bureau of Investigation
35.17 for purposes of the criminal history check. ~~The superintendent shall recover the cost to the~~
35.18 ~~bureau of a background check through the fee charged to the applicant under paragraph (a).~~

35.19 (c) The Professional Educator Licensing and Standards Board ~~must contract with~~ may
35.20 initiate criminal history background studies through the commissioner of human services
35.21 according to section 245C.031 to conduct background checks and obtain background ~~check~~
35.22 study data required under this chapter.

35.23 Sec. 3. **[245.975] OMBUDSPERSON FOR FAMILY CHILD CARE PROVIDERS.**

35.24 Subdivision 1. **Appointment.** The governor shall appoint an ombudsperson in the
35.25 unclassified service to assist family child care providers with licensing, compliance, and
35.26 other issues facing family child care providers. The ombudsperson must be selected without
35.27 regard to the person's political affiliation and must have been a licensed family child care
35.28 provider for at least three years. The ombudsperson shall serve a term of four years, which
35.29 may be renewed, and may be removed prior to the end of the term for just cause.

35.30 Subd. 2. **Duties.** (a) The ombudsperson's duties shall include:

35.31 (1) advocating on behalf of a family child care provider to address all areas of concern
35.32 related to the provision of child care services, including licensing monitoring activities,
35.33 licensing actions, and other interactions with state and county licensing staff;

36.1 (2) providing recommendations for family child care improvement or family child care
36.2 provider education;

36.3 (3) operating a telephone line to answer questions, receive complaints, and discuss
36.4 agency actions when a family child care provider believes that the provider's rights or
36.5 program may have been adversely affected; and

36.6 (4) assisting a family child care license applicant with navigating the application process.

36.7 (b) The ombudsperson must report annually by December 31 to the commissioner and
36.8 the chairs and ranking minority members of the legislative committees with jurisdiction
36.9 over child care on the services provided by the ombudsperson to child care providers,
36.10 including the number and locations of child care providers served and the activities of the
36.11 ombudsperson in carrying out the duties under this section. The commissioner shall determine
36.12 the form of the report and may specify additional reporting requirements.

36.13 Subd. 3. **Staff.** The ombudsperson may appoint and compensate out of available funds
36.14 a deputy, confidential secretary, and other employees in the unclassified service as authorized
36.15 by law. The ombudsperson and the full-time staff are members of the Minnesota State
36.16 Retirement Association. The ombudsperson may delegate to staff members any authority
36.17 or duties of the office, except the duty to provide reports to the governor, commissioner, or
36.18 the legislature.

36.19 Subd. 4. **Access to records.** (a) The ombudsperson or designee, excluding volunteers,
36.20 has access to any data of a state agency necessary for the discharge of the ombudsperson's
36.21 duties, including records classified as confidential data on individuals or private data on
36.22 individuals under chapter 13 or any other law. The ombudsperson's data request must relate
36.23 to a specific case and is subject to section 13.03, subdivision 4. If the data concerns an
36.24 individual, the ombudsperson or designee shall first obtain the individual's consent. If the
36.25 individual is unable to consent and has no parent or legal guardian, then the ombudsperson's
36.26 or designee's access to the data is authorized by this section.

36.27 (b) The ombudsperson and designees must adhere to the Minnesota Government Data
36.28 Practices Act and must not disseminate any private or confidential data on individuals unless
36.29 specifically authorized by state, local, or federal law or pursuant to a court order.

36.30 (c) The commissioner and any county agency must provide the ombudsperson copies
36.31 of all fix-it tickets, correction orders, and licensing actions issued to family child care
36.32 providers.

37.1 Subd. 5. **Independence of action.** In carrying out the duties under this section, the
 37.2 ombudsperson may, independently of the department, provide testimony to the legislature,
 37.3 make periodic reports to the legislature, and address areas of concern to family child care
 37.4 providers.

37.5 Subd. 6. **Civil actions.** The ombudsperson or designee is not civilly liable for any action
 37.6 taken under this section if the action was taken in good faith, was within the scope of the
 37.7 ombudsperson's authority, and did not constitute willful or reckless misconduct.

37.8 Subd. 7. **Qualifications.** The ombudsperson must be a person who has knowledge and
 37.9 experience concerning the provision of family child care. The ombudsperson must be
 37.10 experienced in dealing with governmental entities, interpretation of laws and regulations,
 37.11 investigations, record keeping, report writing, public speaking, and management. A person
 37.12 is not eligible to serve as the ombudsperson while running for or holding public office or
 37.13 while holding a family child care license.

37.14 Subd. 8. **Office support.** The commissioner shall provide the ombudsperson with the
 37.15 necessary office space, supplies, equipment, and clerical support to effectively perform the
 37.16 duties under this section.

37.17 Subd. 9. **Posting.** (a) The commissioner shall post on the department's website the
 37.18 mailing address, e-mail address, and telephone number for the office of the ombudsperson.
 37.19 The commissioner shall provide family child care providers with the mailing address, e-mail
 37.20 address, and telephone number of the ombudsperson's office on the family child care licensing
 37.21 website and upon request of a family child care applicant or provider. Counties must provide
 37.22 family child care applicants and providers with the name, mailing address, e-mail address,
 37.23 and telephone number of the ombudsperson's office upon request.

37.24 (b) The ombudsperson must approve all postings and notices required by the department
 37.25 and counties under this subdivision.

37.26 Sec. 4. Minnesota Statutes 2020, section 245A.05, is amended to read:

37.27 **245A.05 DENIAL OF APPLICATION.**

37.28 (a) The commissioner may deny a license if an applicant or controlling individual:

37.29 (1) fails to submit a substantially complete application after receiving notice from the
 37.30 commissioner under section 245A.04, subdivision 1;

37.31 (2) fails to comply with applicable laws or rules;

38.1 (3) knowingly withholds relevant information from or gives false or misleading
38.2 information to the commissioner in connection with an application for a license or during
38.3 an investigation;

38.4 (4) has a disqualification that has not been set aside under section 245C.22 and no
38.5 variance has been granted;

38.6 (5) has an individual living in the household who received a background study under
38.7 section 245C.03, subdivision 1, paragraph (a), clause (2), who has a disqualification that
38.8 has not been set aside under section 245C.22, and no variance has been granted;

38.9 (6) is associated with an individual who received a background study under section
38.10 245C.03, subdivision 1, paragraph (a), clause (6), who may have unsupervised access to
38.11 children or vulnerable adults, and who has a disqualification that has not been set aside
38.12 under section 245C.22, and no variance has been granted;

38.13 (7) fails to comply with section 245A.04, subdivision 1, paragraph (f) or (g);

38.14 (8) fails to demonstrate competent knowledge as required by section 245A.04, subdivision
38.15 6;

38.16 (9) has a history of noncompliance as a license holder or controlling individual with
38.17 applicable laws or rules, including but not limited to this chapter and chapters 119B and
38.18 245C; ~~or~~

38.19 (10) is prohibited from holding a license according to section 245.095; or

38.20 (11) for a family foster setting, has nondisqualifying background study information, as
38.21 described in section 245C.05, subdivision 4, that reflects on the individual's ability to safely
38.22 provide care to foster children.

38.23 (b) An applicant whose application has been denied by the commissioner must be given
38.24 notice of the denial, which must state the reasons for the denial in plain language. Notice
38.25 must be given by certified mail or personal service. The notice must state the reasons the
38.26 application was denied and must inform the applicant of the right to a contested case hearing
38.27 under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The applicant may
38.28 appeal the denial by notifying the commissioner in writing by certified mail or personal
38.29 service. If mailed, the appeal must be postmarked and sent to the commissioner within 20
38.30 calendar days after the applicant received the notice of denial. If an appeal request is made
38.31 by personal service, it must be received by the commissioner within 20 calendar days after
38.32 the applicant received the notice of denial. Section 245A.08 applies to hearings held to
38.33 appeal the commissioner's denial of an application.

39.1 **EFFECTIVE DATE.** This section is effective July 1, 2022.

39.2 Sec. 5. Minnesota Statutes 2020, section 245A.07, subdivision 1, is amended to read:

39.3 Subdivision 1. **Sanctions; appeals; license.** (a) In addition to making a license conditional
39.4 under section 245A.06, the commissioner may suspend or revoke the license, impose a fine,
39.5 or secure an injunction against the continuing operation of the program of a license holder
39.6 who does not comply with applicable law or rule, or who has nondisqualifying background
39.7 study information, as described in section 245C.05, subdivision 4, that reflects on the license
39.8 holder's ability to safely provide care to foster children. When applying sanctions authorized
39.9 under this section, the commissioner shall consider the nature, chronicity, or severity of the
39.10 violation of law or rule and the effect of the violation on the health, safety, or rights of
39.11 persons served by the program.

39.12 (b) If a license holder appeals the suspension or revocation of a license and the license
39.13 holder continues to operate the program pending a final order on the appeal, the commissioner
39.14 shall issue the license holder a temporary provisional license. Unless otherwise specified
39.15 by the commissioner, variances in effect on the date of the license sanction under appeal
39.16 continue under the temporary provisional license. If a license holder fails to comply with
39.17 applicable law or rule while operating under a temporary provisional license, the
39.18 commissioner may impose additional sanctions under this section and section 245A.06, and
39.19 may terminate any prior variance. If a temporary provisional license is set to expire, a new
39.20 temporary provisional license shall be issued to the license holder upon payment of any fee
39.21 required under section 245A.10. The temporary provisional license shall expire on the date
39.22 the final order is issued. If the license holder prevails on the appeal, a new nonprovisional
39.23 license shall be issued for the remainder of the current license period.

39.24 (c) If a license holder is under investigation and the license issued under this chapter is
39.25 due to expire before completion of the investigation, the program shall be issued a new
39.26 license upon completion of the reapplication requirements and payment of any applicable
39.27 license fee. Upon completion of the investigation, a licensing sanction may be imposed
39.28 against the new license under this section, section 245A.06, or 245A.08.

39.29 (d) Failure to reapply or closure of a license issued under this chapter by the license
39.30 holder prior to the completion of any investigation shall not preclude the commissioner
39.31 from issuing a licensing sanction under this section or section 245A.06 at the conclusion
39.32 of the investigation.

39.33 **EFFECTIVE DATE.** This section is effective July 1, 2022.

40.1 Sec. 6. Minnesota Statutes 2020, section 245A.10, subdivision 4, as amended by Laws
40.2 2021, chapter 30, article 17, section 47, is amended to read:

40.3 Subd. 4. **License or certification fee for certain programs.** (a) Child care centers shall
40.4 pay an annual nonrefundable license fee based on the following schedule:

40.5	Licensed Capacity	Child Care Center License Fee
40.6	1 to 24 persons	\$200
40.7	25 to 49 persons	\$300
40.8	50 to 74 persons	\$400
40.9	75 to 99 persons	\$500
40.10	100 to 124 persons	\$600
40.11	125 to 149 persons	\$700
40.12	150 to 174 persons	\$800
40.13	175 to 199 persons	\$900
40.14	200 to 224 persons	\$1,000
40.15	225 or more persons	\$1,100

40.17 (b)(1) A program licensed to provide one or more of the home and community-based
40.18 services and supports identified under chapter 245D to persons with disabilities or age 65
40.19 and older, shall pay an annual nonrefundable license fee based on revenues derived from
40.20 the provision of services that would require licensure under chapter 245D during the calendar
40.21 year immediately preceding the year in which the license fee is paid, according to the
40.22 following schedule:

40.23	License Holder Annual Revenue	License Fee
40.24	less than or equal to \$10,000	\$200
40.25	greater than \$10,000 but less than or 40.26 equal to \$25,000	\$300
40.27	greater than \$25,000 but less than or 40.28 equal to \$50,000	\$400
40.29	greater than \$50,000 but less than or 40.30 equal to \$100,000	\$500
40.31	greater than \$100,000 but less than or 40.32 equal to \$150,000	\$600
40.33	greater than \$150,000 but less than or 40.34 equal to \$200,000	\$800
40.35	greater than \$200,000 but less than or 40.36 equal to \$250,000	\$1,000
40.37	greater than \$250,000 but less than or 40.38 equal to \$300,000	\$1,200

41.1	greater than \$300,000 but less than or	
41.2	equal to \$350,000	\$1,400
41.3	greater than \$350,000 but less than or	
41.4	equal to \$400,000	\$1,600
41.5	greater than \$400,000 but less than or	
41.6	equal to \$450,000	\$1,800
41.7	greater than \$450,000 but less than or	
41.8	equal to \$500,000	\$2,000
41.9	greater than \$500,000 but less than or	
41.10	equal to \$600,000	\$2,250
41.11	greater than \$600,000 but less than or	
41.12	equal to \$700,000	\$2,500
41.13	greater than \$700,000 but less than or	
41.14	equal to \$800,000	\$2,750
41.15	greater than \$800,000 but less than or	
41.16	equal to \$900,000	\$3,000
41.17	greater than \$900,000 but less than or	
41.18	equal to \$1,000,000	\$3,250
41.19	greater than \$1,000,000 but less than or	
41.20	equal to \$1,250,000	\$3,500
41.21	greater than \$1,250,000 but less than or	
41.22	equal to \$1,500,000	\$3,750
41.23	greater than \$1,500,000 but less than or	
41.24	equal to \$1,750,000	\$4,000
41.25	greater than \$1,750,000 but less than or	
41.26	equal to \$2,000,000	\$4,250
41.27	greater than \$2,000,000 but less than or	
41.28	equal to \$2,500,000	\$4,500
41.29	greater than \$2,500,000 but less than or	
41.30	equal to \$3,000,000	\$4,750
41.31	greater than \$3,000,000 but less than or	
41.32	equal to \$3,500,000	\$5,000
41.33	greater than \$3,500,000 but less than or	
41.34	equal to \$4,000,000	\$5,500
41.35	greater than \$4,000,000 but less than or	
41.36	equal to \$4,500,000	\$6,000
41.37	greater than \$4,500,000 but less than or	
41.38	equal to \$5,000,000	\$6,500
41.39	greater than \$5,000,000 but less than or	
41.40	equal to \$7,500,000	\$7,000
41.41	greater than \$7,500,000 but less than or	
41.42	equal to \$10,000,000	\$8,500
41.43	greater than \$10,000,000 but less than or	
41.44	equal to \$12,500,000	\$10,000

42.1	greater than \$12,500,000 but less than or	
42.2	equal to \$15,000,000	\$14,000
42.3	greater than \$15,000,000	\$18,000

42.4 (2) If requested, the license holder shall provide the commissioner information to verify
 42.5 the license holder's annual revenues or other information as needed, including copies of
 42.6 documents submitted to the Department of Revenue.

42.7 (3) At each annual renewal, a license holder may elect to pay the highest renewal fee,
 42.8 and not provide annual revenue information to the commissioner.

42.9 (4) A license holder that knowingly provides the commissioner incorrect revenue amounts
 42.10 for the purpose of paying a lower license fee shall be subject to a civil penalty in the amount
 42.11 of double the fee the provider should have paid.

42.12 (5) Notwithstanding clause (1), a license holder providing services under one or more
 42.13 licenses under chapter 245B that are in effect on May 15, 2013, shall pay an annual license
 42.14 fee for calendar years 2014, 2015, and 2016, equal to the total license fees paid by the license
 42.15 holder for all licenses held under chapter 245B for calendar year 2013. For calendar year
 42.16 2017 and thereafter, the license holder shall pay an annual license fee according to clause
 42.17 (1).

42.18 (c) A chemical dependency treatment program licensed under chapter 245G, to provide
 42.19 chemical dependency treatment shall pay an annual nonrefundable license fee based on the
 42.20 following schedule:

42.21	Licensed Capacity	License Fee
42.22	1 to 24 persons	\$600
42.23	25 to 49 persons	\$800
42.24	50 to 74 persons	\$1,000
42.25	75 to 99 persons	\$1,200
42.26	100 or more persons	\$1,400

42.27 (d) A ~~chemical dependency detoxification~~ program licensed under Minnesota Rules,
 42.28 parts 9530.6510 to 9530.6590, ~~to provide detoxification services~~ or a withdrawal management
 42.29 program licensed under chapter 245F shall pay an annual nonrefundable license fee based
 42.30 on the following schedule:

42.31	Licensed Capacity	License Fee
42.32	1 to 24 persons	\$760
42.33	25 to 49 persons	\$960
42.34	50 or more persons	\$1,160

43.1 A detoxification program that also operates a withdrawal management program at the same
 43.2 location shall only pay one fee based upon the licensed capacity of the program with the
 43.3 higher overall capacity.

43.4 (e) Except for child foster care, a residential facility licensed under Minnesota Rules,
 43.5 chapter 2960, to serve children shall pay an annual nonrefundable license fee based on the
 43.6 following schedule:

43.7	Licensed Capacity	License Fee
43.8	1 to 24 persons	\$1,000
43.9	25 to 49 persons	\$1,100
43.10	50 to 74 persons	\$1,200
43.11	75 to 99 persons	\$1,300
43.12	100 or more persons	\$1,400

43.13 (f) A residential facility licensed under section 245I.23 or Minnesota Rules, parts
 43.14 9520.0500 to 9520.0670, to serve persons with mental illness shall pay an annual
 43.15 nonrefundable license fee based on the following schedule:

43.16	Licensed Capacity	License Fee
43.17	1 to 24 persons	\$2,525
43.18	25 or more persons	\$2,725

43.19 (g) A residential facility licensed under Minnesota Rules, parts 9570.2000 to 9570.3400,
 43.20 to serve persons with physical disabilities shall pay an annual nonrefundable license fee
 43.21 based on the following schedule:

43.22	Licensed Capacity	License Fee
43.23	1 to 24 persons	\$450
43.24	25 to 49 persons	\$650
43.25	50 to 74 persons	\$850
43.26	75 to 99 persons	\$1,050
43.27	100 or more persons	\$1,250

43.28 (h) A program licensed to provide independent living assistance for youth under section
 43.29 245A.22 shall pay an annual nonrefundable license fee of \$1,500.

43.30 (i) A private agency licensed to provide foster care and adoption services under Minnesota
 43.31 Rules, parts 9545.0755 to 9545.0845, shall pay an annual nonrefundable license fee of \$875.

43.32 (j) A program licensed as an adult day care center licensed under Minnesota Rules, parts
 43.33 9555.9600 to 9555.9730, shall pay an annual nonrefundable license fee based on the
 43.34 following schedule:

	Licensed Capacity	License Fee
44.1		
44.2	1 to 24 persons	\$500
44.3	25 to 49 persons	\$700
44.4	50 to 74 persons	\$900
44.5	75 to 99 persons	\$1,100
44.6	100 or more persons	\$1,300

44.7 (k) A program licensed to provide treatment services to persons with sexual psychopathic
 44.8 personalities or sexually dangerous persons under Minnesota Rules, parts 9515.3000 to
 44.9 9515.3110, shall pay an annual nonrefundable license fee of \$20,000.

44.10 (l) A mental health clinic certified under section 245I.20 shall pay an annual
 44.11 nonrefundable certification fee of \$1,550. If the mental health clinic provides services at a
 44.12 primary location with satellite facilities, the satellite facilities shall be certified with the
 44.13 primary location without an additional charge.

44.14 Sec. 7. Minnesota Statutes 2020, section 245A.14, subdivision 4, is amended to read:

44.15 Subd. 4. **Special family ~~day~~ child care homes.** Nonresidential child care programs
 44.16 serving 14 or fewer children that are conducted at a location other than the license holder's
 44.17 own residence shall be licensed under this section and the rules governing family ~~day~~ child
 44.18 care or group family ~~day~~ child care if:

44.19 (a) the license holder is the primary provider of care and the nonresidential child care
 44.20 program is conducted in a dwelling that is located on a residential lot;

44.21 (b) the license holder is an employer who may or may not be the primary provider of
 44.22 care, and the purpose for the child care program is to provide child care services to children
 44.23 of the license holder's employees;

44.24 (c) the license holder is a church or religious organization;

44.25 (d) the license holder is a community collaborative child care provider. For purposes of
 44.26 this subdivision, a community collaborative child care provider is a provider participating
 44.27 in a cooperative agreement with a community action agency as defined in section 256E.31;

44.28 (e) the license holder is a not-for-profit agency that provides child care in a dwelling
 44.29 located on a residential lot and the license holder maintains two or more contracts with
 44.30 community employers or other community organizations to provide child care services.
 44.31 The county licensing agency may grant a capacity variance to a license holder licensed
 44.32 under this paragraph to exceed the licensed capacity of 14 children by no more than five

45.1 children during transition periods related to the work schedules of parents, if the license
45.2 holder meets the following requirements:

45.3 (1) the program does not exceed a capacity of 14 children more than a cumulative total
45.4 of four hours per day;

45.5 (2) the program meets a one to seven staff-to-child ratio during the variance period;

45.6 (3) all employees receive at least an extra four hours of training per year than required
45.7 in the rules governing family child care each year;

45.8 (4) the facility has square footage required per child under Minnesota Rules, part
45.9 9502.0425;

45.10 (5) the program is in compliance with local zoning regulations;

45.11 (6) the program is in compliance with the applicable fire code as follows:

45.12 (i) if the program serves more than five children older than 2-1/2 years of age, but no
45.13 more than five children 2-1/2 years of age or less, the applicable fire code is educational
45.14 occupancy, as provided in Group E Occupancy under the Minnesota State Fire Code 2015,
45.15 Section 202; or

45.16 (ii) if the program serves more than five children 2-1/2 years of age or less, the applicable
45.17 fire code is Group I-4 Occupancies, as provided in the Minnesota State Fire Code 2015,
45.18 Section 202, unless the rooms in which the children are cared for are located on a level of
45.19 exit discharge and each of these child care rooms has an exit door directly to the exterior,
45.20 then the applicable fire code is Group E occupancies, as provided in the Minnesota State
45.21 Fire Code 2015, Section 202; and

45.22 (7) any age and capacity limitations required by the fire code inspection and square
45.23 footage determinations shall be printed on the license; or

45.24 (f) the license holder is the primary provider of care and has located the licensed child
45.25 care program in a commercial space, if the license holder meets the following requirements:

45.26 (1) the program is in compliance with local zoning regulations;

45.27 (2) the program is in compliance with the applicable fire code as follows:

45.28 (i) if the program serves more than five children older than 2-1/2 years of age, but no
45.29 more than five children 2-1/2 years of age or less, the applicable fire code is educational
45.30 occupancy, as provided in Group E Occupancy under the Minnesota State Fire Code 2015,
45.31 Section 202; or

46.1 (ii) if the program serves more than five children 2-1/2 years of age or less, the applicable
46.2 fire code is Group I-4 Occupancies, as provided under the Minnesota State Fire Code 2015,
46.3 Section 202;

46.4 (3) any age and capacity limitations required by the fire code inspection and square
46.5 footage determinations are printed on the license; and

46.6 (4) the license holder prominently displays the license issued by the commissioner which
46.7 contains the statement "This special family child care provider is not licensed as a child
46.8 care center."

46.9 ~~(g) The commissioner may approve two or more licenses under paragraphs (a) to (f) to~~
46.10 ~~be issued at the same location or under one contiguous roof, if each license holder is able~~
46.11 ~~to demonstrate compliance with all applicable rules and laws. Each license holder must~~
46.12 ~~operate the license holder's respective licensed program as a distinct program and within~~
46.13 ~~the capacity, age, and ratio distributions of each license. Notwithstanding Minnesota Rules,~~
46.14 ~~part 9502.0335, subpart 12, the commissioner may issue up to four licenses to an organization~~
46.15 ~~licensed under paragraphs (b), (c), or (e). Each license must have its own primary provider~~
46.16 ~~of care as required under paragraph (i). Each license must operate as a distinct and separate~~
46.17 ~~program in compliance with all applicable laws and regulations.~~

46.18 ~~(h) The commissioner may grant variances to this section to allow a primary provider~~
46.19 ~~of care, a not-for-profit organization, a church or religious organization, an employer, or a~~
46.20 ~~community collaborative to be licensed to provide child care under paragraphs (e) and (f)~~
46.21 ~~if the license holder meets the other requirements of the statute. For licenses issued under~~
46.22 ~~paragraphs (b), (c), (d), (e), or (f), the commissioner may approve up to four licenses at the~~
46.23 ~~same location or under one contiguous roof if each license holder is able to demonstrate~~
46.24 ~~compliance with all applicable rules and laws. Each licensed program must operate as a~~
46.25 ~~distinct program and within the capacity, age, and ratio distributions of each license.~~

46.26 (i) For a license issued under paragraphs (b), (c), or (e), the license holder must designate
46.27 a person to be the primary provider of care at the licensed location on a form and in a manner
46.28 prescribed by the commissioner. The license holder shall notify the commissioner in writing
46.29 before there is a change of the person designated to be the primary provider of care. The
46.30 primary provider of care:

46.31 (1) must be the person who will be the provider of care at the program and present during
46.32 the hours of operation;

46.33 (2) must operate the program in compliance with applicable laws and regulations under
46.34 chapter 245A and Minnesota Rules, chapter 9502;

47.1 (3) is considered a child care background study subject as defined in section 245C.02,
47.2 subdivision 6a, and must comply with background study requirements in chapter 245C; and

47.3 (4) must complete the training that is required of license holders in section 245A.50.

47.4 (j) For any license issued under this subdivision, the license holder must ensure that any
47.5 other caregiver, substitute, or helper who assists in the care of children meets the training
47.6 requirements in section 245A.50 and background study requirements under chapter 245C.

47.7 **EFFECTIVE DATE.** This section is effective July 1, 2022.

47.8 Sec. 8. Minnesota Statutes 2020, section 245A.16, is amended by adding a subdivision to
47.9 read:

47.10 Subd. 9. **Licensed family foster settings.** (a) Before recommending to grant a license,
47.11 deny a license under section 245A.05, or revoke a license under section 245A.07 for
47.12 nondisqualifying background study information received under section 245C.05, subdivision
47.13 4, paragraph (a), clause (3), for a licensed family foster setting, a county agency or private
47.14 agency that has been designated or licensed by the commissioner must review the following:

47.15 (1) the type of offenses;

47.16 (2) the number of offenses;

47.17 (3) the nature of the offenses;

47.18 (4) the age of the individual at the time of the offenses;

47.19 (5) the length of time that has elapsed since the last offense;

47.20 (6) the relationship of the offenses and the capacity to care for a child;

47.21 (7) evidence of rehabilitation;

47.22 (8) information or knowledge from community members regarding the individual's
47.23 capacity to provide foster care;

47.24 (9) any available information regarding child maltreatment reports or child in need of
47.25 protection or services petitions, or related cases, in which the individual has been involved
47.26 or implicated, and documentation that the individual has remedied issues or conditions
47.27 identified in child protection or court records that are relevant to safely caring for a child;

47.28 (10) a statement from the study subject;

47.29 (11) a statement from the license holder; and

47.30 (12) other aggravating and mitigating factors.

48.1 (b) For purposes of this section, "evidence of rehabilitation" includes but is not limited
48.2 to the following:

48.3 (1) maintaining a safe and stable residence;

48.4 (2) continuous, regular, or stable employment;

48.5 (3) successful participation in an education or job training program;

48.6 (4) positive involvement with the community or extended family;

48.7 (5) compliance with the terms and conditions of probation or parole following the
48.8 individual's most recent conviction;

48.9 (6) if the individual has had a substance use disorder, successful completion of a substance
48.10 use disorder assessment, substance use disorder treatment, and recommended continuing
48.11 care, if applicable, demonstrated abstinence from controlled substances, as defined in section
48.12 152.01, subdivision 4, or the establishment of a sober network;

48.13 (7) if the individual has had a mental illness or documented mental health issues,
48.14 demonstrated completion of a mental health evaluation, participation in therapy or other
48.15 recommended mental health treatment, or appropriate medication management, if applicable;

48.16 (8) if the individual's offense or conduct involved domestic violence, demonstrated
48.17 completion of a domestic violence or anger management program, and the absence of any
48.18 orders for protection or harassment restraining orders against the individual since the previous
48.19 offense or conduct;

48.20 (9) written letters of support from individuals of good repute, including but not limited
48.21 to employers, members of the clergy, probation or parole officers, volunteer supervisors,
48.22 or social services workers;

48.23 (10) demonstrated remorse for convictions or conduct, or demonstrated positive behavior
48.24 changes; and

48.25 (11) absence of convictions or arrests since the previous offense or conduct, including
48.26 any convictions that were expunged or pardoned.

48.27 (c) An applicant for a family foster setting license must sign all releases of information
48.28 requested by the county or private licensing agency.

48.29 (d) When licensing a relative for a family foster setting, the commissioner shall also
48.30 consider the importance of maintaining the child's relationship with relatives as an additional
48.31 significant factor in determining whether an application will be denied.

49.1 (e) When recommending that the commissioner deny or revoke a license, the county or
 49.2 private licensing agency must send a summary of the review completed according to
 49.3 paragraph (a), on a form developed by the commissioner, to the commissioner and include
 49.4 any recommendation for licensing action.

49.5 **EFFECTIVE DATE.** This section is effective July 1, 2022.

49.6 Sec. 9. Minnesota Statutes 2020, section 245A.50, subdivision 7, is amended to read:

49.7 Subd. 7. **Training requirements for family and group family child care.** (a) For
 49.8 purposes of family and group family child care, the license holder and each second adult
 49.9 caregiver must complete 16 hours of ongoing training each year. Repeat of topical training
 49.10 requirements in subdivisions 2 to 8 shall count toward the annual 16-hour training
 49.11 requirement. Additional ongoing training subjects to meet the annual 16-hour training
 49.12 requirement must be selected from the following areas:

49.13 (1) child development and learning training in understanding how a child develops
 49.14 physically, cognitively, emotionally, and socially, and how a child learns as part of the
 49.15 child's family, culture, and community;

49.16 (2) developmentally appropriate learning experiences, including training in creating
 49.17 positive learning experiences, promoting cognitive development, promoting social and
 49.18 emotional development, promoting physical development, promoting creative development;
 49.19 and behavior guidance;

49.20 (3) relationships with families, including training in building a positive, respectful
 49.21 relationship with the child's family;

49.22 (4) assessment, evaluation, and individualization, including training in observing,
 49.23 recording, and assessing development; assessing and using information to plan; and assessing
 49.24 and using information to enhance and maintain program quality;

49.25 (5) historical and contemporary development of early childhood education, including
 49.26 training in past and current practices in early childhood education and how current events
 49.27 and issues affect children, families, and programs;

49.28 (6) professionalism, including training in knowledge, skills, and abilities that promote
 49.29 ongoing professional development; and

49.30 (7) health, safety, and nutrition, including training in establishing healthy practices;
 49.31 ensuring safety; and providing healthy nutrition.

50.1 (b) A provider who is approved as a trainer through the Develop data system may count
 50.2 up to two hours of training instruction toward the annual 16-hour training requirement in
 50.3 paragraph (a). The provider may only count training instruction hours for the first instance
 50.4 in which they deliver a particular content-specific training during each licensing year. Hours
 50.5 counted as training instruction must be approved through the Develop data system with
 50.6 attendance verified on the trainer's individual learning record and must be in Knowledge
 50.7 and Competency Framework content area VII A (Establishing Healthy Practices) or B
 50.8 (Ensuring Safety).

50.9 Sec. 10. Minnesota Statutes 2020, section 245A.50, subdivision 9, is amended to read:

50.10 Subd. 9. **Supervising for safety; training requirement.** (a) Courses required by this
 50.11 subdivision must include the following health and safety topics:

- 50.12 (1) preventing and controlling infectious diseases;
- 50.13 (2) administering medication;
- 50.14 (3) preventing and responding to allergies;
- 50.15 (4) ensuring building and physical premises safety;
- 50.16 (5) handling and storing biological contaminants;
- 50.17 (6) preventing and reporting child abuse and maltreatment; and
- 50.18 (7) emergency preparedness.

50.19 (b) Before initial licensure and before caring for a child, all family child care license
 50.20 holders and each second adult caregiver shall complete and document the completion of
 50.21 the six-hour Supervising for Safety for Family Child Care course developed by the
 50.22 commissioner.

50.23 (c) The license holder must ensure and document that, before caring for a child, all
 50.24 substitutes have completed the four-hour Basics of Licensed Family Child Care for
 50.25 Substitutes course developed by the commissioner, which must include health and safety
 50.26 topics as well as child development and learning.

50.27 (d) The family child care license holder and each second adult caregiver shall complete
 50.28 and document:

50.29 (1) the annual completion of either:

50.30 (i) a two-hour active supervision course developed by the commissioner; or

51.1 (ii) any courses in the ensuring safety competency area under the health, safety, and
51.2 nutrition standard of the Knowledge and Competency Framework that the commissioner
51.3 has identified as an active supervision training course; and

51.4 (2) the completion at least once every five years of the two-hour courses Health and
51.5 Safety I and Health and Safety II. When the training is due for the first time or expires, it
51.6 must be taken no later than the day before the anniversary of the license holder's license
51.7 effective date. A license holder's or second adult caregiver's completion of either training
51.8 in a given year meets the annual active supervision training requirement in clause (1).

51.9 (e) At least once every three years, license holders must ensure and document that
51.10 substitutes have completed the four-hour Basics of Licensed Family Child Care for
51.11 Substitutes course. When the training expires, it must be retaken no later than the day before
51.12 the anniversary of the license holder's license effective date.

51.13 Sec. 11. Minnesota Statutes 2020, section 245C.02, subdivision 4a, is amended to read:

51.14 Subd. 4a. **Authorized fingerprint collection vendor.** "Authorized fingerprint collection
51.15 vendor" means a qualified organization under a written contract with the commissioner to
51.16 provide services in accordance with section 245C.05, subdivision 5, paragraph (b). The
51.17 commissioner may retain the services of more than one authorized fingerprint collection
51.18 vendor.

51.19 Sec. 12. Minnesota Statutes 2020, section 245C.02, subdivision 5, is amended to read:

51.20 Subd. 5. **Background study.** "Background study" means:

51.21 (1) the collection and processing of a background study subject's fingerprints, including
51.22 the process of obtaining a background study subject's classifiable fingerprints and photograph
51.23 as required by section 245C.05, subdivision 5, paragraph (b); and

51.24 (2) the review of records conducted by the commissioner to determine whether a subject
51.25 is disqualified from direct contact with persons served by a program and, where specifically
51.26 provided in statutes, whether a subject is disqualified from having access to persons served
51.27 by a program and from working in a children's residential facility or foster residence setting.

51.28 Sec. 13. Minnesota Statutes 2020, section 245C.02, is amended by adding a subdivision
51.29 to read:

51.30 Subd. 5b. **Alternative background study.** "Alternative background study" means:

52.1 (1) the collection and processing of a background study subject's fingerprints, including
 52.2 the process of obtaining a background study subject's classifiable fingerprints and photograph
 52.3 as required by section 245C.05, subdivision 5, paragraph (b); and

52.4 (2) a review of records conducted by the commissioner pursuant to section 245C.08 in
 52.5 order to forward the background study investigating information to the entity that submitted
 52.6 the alternative background study request under section 245C.031, subdivision 2. The
 52.7 commissioner shall not make any eligibility determinations on background studies conducted
 52.8 under section 245C.031.

52.9 Sec. 14. Minnesota Statutes 2020, section 245C.02, is amended by adding a subdivision
 52.10 to read:

52.11 Subd. 5c. **Public law background study.** "Public law background study" means a
 52.12 background study conducted by the commissioner pursuant to section 245C.032.

52.13 Sec. 15. Minnesota Statutes 2020, section 245C.02, is amended by adding a subdivision
 52.14 to read:

52.15 Subd. 11c. **Entity.** "Entity" means any program, organization, or agency initiating a
 52.16 background study.

52.17 Sec. 16. Minnesota Statutes 2020, section 245C.02, is amended by adding a subdivision
 52.18 to read:

52.19 Subd. 16a. **Results.** "Results" means a determination that a study subject is eligible,
 52.20 disqualified, set aside, granted a variance, or that more time is needed to complete the
 52.21 background study.

52.22 Sec. 17. Minnesota Statutes 2020, section 245C.03, is amended to read:

52.23 **245C.03 BACKGROUND STUDY; INDIVIDUALS TO BE STUDIED.**

52.24 Subdivision 1. **Licensed programs.** (a) The commissioner shall conduct a background
 52.25 study on:

52.26 (1) the person or persons applying for a license;

52.27 (2) an individual age 13 and over living in the household where the licensed program
 52.28 will be provided who is not receiving licensed services from the program;

52.29 (3) current or prospective employees or contractors of the applicant who will have direct
 52.30 contact with persons served by the facility, agency, or program;

53.1 (4) volunteers or student volunteers who will have direct contact with persons served
53.2 by the program to provide program services if the contact is not under the continuous, direct
53.3 supervision by an individual listed in clause (1) or (3);

53.4 (5) an individual age ten to 12 living in the household where the licensed services will
53.5 be provided when the commissioner has reasonable cause as defined in section 245C.02,
53.6 subdivision 15;

53.7 (6) an individual who, without providing direct contact services at a licensed program,
53.8 may have unsupervised access to children or vulnerable adults receiving services from a
53.9 program, when the commissioner has reasonable cause as defined in section 245C.02,
53.10 subdivision 15;

53.11 (7) all controlling individuals as defined in section 245A.02, subdivision 5a;

53.12 (8) notwithstanding the other requirements in this subdivision, child care background
53.13 study subjects as defined in section 245C.02, subdivision 6a; and

53.14 (9) notwithstanding clause (3), for children's residential facilities and foster residence
53.15 settings, any adult working in the facility, whether or not the individual will have direct
53.16 contact with persons served by the facility.

53.17 (b) For child foster care when the license holder resides in the home where foster care
53.18 services are provided, a short-term substitute caregiver providing direct contact services for
53.19 a child for less than 72 hours of continuous care is not required to receive a background
53.20 study under this chapter.

53.21 (c) This subdivision applies to the following programs that must be licensed under
53.22 chapter 245A:

53.23 (1) adult foster care;

53.24 (2) child foster care;

53.25 (3) children's residential facilities;

53.26 (4) family child care;

53.27 (5) licensed child care centers;

53.28 (6) licensed home and community-based services under chapter 245D;

53.29 (7) residential mental health programs for adults;

53.30 (8) substance use disorder treatment programs under chapter 245G;

53.31 (9) withdrawal management programs under chapter 245F;

- 54.1 (10) adult day care centers;
 54.2 (11) family adult day services;
 54.3 (12) independent living assistance for youth;
 54.4 (13) detoxification programs;
 54.5 (14) community residential settings; and
 54.6 (15) intensive residential treatment services and residential crisis stabilization under
 54.7 chapter 245I.

54.8 Subd. 1a. **Procedure.** (a) Individuals and organizations that are required under this
 54.9 section to have or initiate background studies shall comply with the requirements of this
 54.10 chapter.

54.11 (b) All studies conducted under this section shall be conducted according to sections
 54.12 299C.60 to 299C.64. This requirement does not apply to subdivisions 1, paragraph (c),
 54.13 clauses (2) to (5), and 6a.

54.14 **Subd. 2. Personal care provider organizations.** The commissioner shall conduct
 54.15 background studies on any individual required under sections 256B.0651 to 256B.0654 and
 54.16 256B.0659 to have a background study completed under this chapter.

54.17 **Subd. 3. Supplemental nursing services agencies.** The commissioner shall conduct all
 54.18 background studies required under this chapter and initiated by supplemental nursing services
 54.19 agencies registered under section 144A.71, subdivision 1.

54.20 **Subd. 3a. Personal care assistance provider agency; background studies.** Personal
 54.21 care assistance provider agencies enrolled to provide personal care assistance services under
 54.22 the medical assistance program must meet the following requirements:

54.23 (1) owners who have a five percent interest or more and all managing employees are
 54.24 subject to a background study as provided in this chapter. This requirement applies to
 54.25 currently enrolled personal care assistance provider agencies and agencies seeking enrollment
 54.26 as a personal care assistance provider agency. "Managing employee" has the same meaning
 54.27 as Code of Federal Regulations, title 42, section 455.101. An organization is barred from
 54.28 enrollment if:

54.29 (i) the organization has not initiated background studies of owners and managing
 54.30 employees; or

54.31 (ii) the organization has initiated background studies of owners and managing employees
 54.32 and the commissioner has sent the organization a notice that an owner or managing employee

55.1 of the organization has been disqualified under section 245C.14, and the owner or managing
 55.2 employee has not received a set aside of the disqualification under section 245C.22; and
 55.3 (2) a background study must be initiated and completed for all qualified professionals.

55.4 **Subd. 3b. Exception to personal care assistant; requirements.** The personal care
 55.5 assistant for a recipient may be allowed to enroll with a different personal care assistance
 55.6 provider agency upon initiation of a new background study according to this chapter if:

55.7 (1) the commissioner determines that a change in enrollment or affiliation of the personal
 55.8 care assistant is needed in order to ensure continuity of services and protect the health and
 55.9 safety of the recipient;

55.10 (2) the chosen agency has been continuously enrolled as a personal care assistance
 55.11 provider agency for at least two years;

55.12 (3) the recipient chooses to transfer to the personal care assistance provider agency;

55.13 (4) the personal care assistant has been continuously enrolled with the former personal
 55.14 care assistance provider agency since the last background study was completed; and

55.15 (5) the personal care assistant continues to meet requirements of section 256B.0659,
 55.16 subdivision 11, notwithstanding paragraph (a), clause (3).

55.17 **Subd. 4. Personnel agencies; educational programs; professional services**
 55.18 **agencies.** The commissioner also may conduct studies on individuals specified in subdivision
 55.19 1, paragraph (a), clauses (3) and (4), when the studies are initiated by:

55.20 (1) personnel pool agencies;

55.21 (2) temporary personnel agencies;

55.22 (3) educational programs that train individuals by providing direct contact services in
 55.23 licensed programs; and

55.24 (4) professional services agencies that are not licensed and which contract with licensed
 55.25 programs to provide direct contact services or individuals who provide direct contact services.

55.26 **Subd. 5. Other state agencies.** The commissioner shall conduct background studies on
 55.27 applicants and license holders under the jurisdiction of other state agencies who are required
 55.28 in other statutory sections to initiate background studies under this chapter, including the
 55.29 applicant's or license holder's employees, contractors, and volunteers when required under
 55.30 other statutory sections.

56.1 Subd. 5a. Facilities serving children or adults licensed or regulated by the
 56.2 Department of Health. (a) The commissioner shall conduct background studies of:

56.3 (1) individuals providing services who have direct contact, as defined under section
 56.4 245C.02, subdivision 11, with patients and residents in hospitals, boarding care homes,
 56.5 outpatient surgical centers licensed under sections 144.50 to 144.58; nursing homes and
 56.6 home care agencies licensed under chapter 144A; assisted living facilities and assisted living
 56.7 facilities with dementia care licensed under chapter 144G; and board and lodging
 56.8 establishments that are registered to provide supportive or health supervision services under
 56.9 section 157.17;

56.10 (2) individuals specified in subdivision 2 who provide direct contact services in a nursing
 56.11 home or a home care agency licensed under chapter 144A; an assisted living facility or
 56.12 assisted living facility with dementia care licensed under chapter 144G; or a boarding care
 56.13 home licensed under sections 144.50 to 144.58. If the individual undergoing a study resides
 56.14 outside of Minnesota, the study must include a check for substantiated findings of
 56.15 maltreatment of adults and children in the individual's state of residence when the state
 56.16 makes the information available;

56.17 (3) all other employees in assisted living facilities or assisted living facilities with
 56.18 dementia care licensed under chapter 144G, nursing homes licensed under chapter 144A,
 56.19 and boarding care homes licensed under sections 144.50 to 144.58. A disqualification of
 56.20 an individual in this section shall disqualify the individual from positions allowing direct
 56.21 contact with or access to patients or residents receiving services. "Access" means physical
 56.22 access to a client or the client's personal property without continuous, direct supervision as
 56.23 defined in section 245C.02, subdivision 8, when the employee's employment responsibilities
 56.24 do not include providing direct contact services;

56.25 (4) individuals employed by a supplemental nursing services agency, as defined under
 56.26 section 144A.70, who are providing services in health care facilities; and

56.27 (5) controlling persons of a supplemental nursing services agency, as defined by section
 56.28 144A.70.

56.29 (b) If a facility or program is licensed by the Department of Human Services and the
 56.30 Department of Health and is subject to the background study provisions of this chapter, the
 56.31 Department of Human Services is solely responsible for the background studies of individuals
 56.32 in the jointly licensed program.

56.33 (c) The commissioner of health shall review and make decisions regarding reconsideration
 56.34 requests, including whether to grant variances, according to the procedures and criteria in

57.1 this chapter. The commissioner of health shall inform the requesting individual and the
57.2 Department of Human Services of the commissioner of health's decision regarding the
57.3 reconsideration. The commissioner of health's decision to grant or deny a reconsideration
57.4 of a disqualification is a final administrative agency action.

57.5 **Subd. 5b. Facilities serving children or youth licensed by the Department of**
57.6 **Corrections.** (a) The commissioner shall conduct background studies of individuals working
57.7 in secure and nonsecure children's residential facilities, juvenile detention facilities, and
57.8 foster residence settings, whether or not the individual will have direct contact, as defined
57.9 under section 245C.02, subdivision 11, with persons served in the facilities or settings.

57.10 (b) A clerk or administrator of any court, the Bureau of Criminal Apprehension, a
57.11 prosecuting attorney, a county sheriff, or a chief of a local police department shall assist in
57.12 conducting background studies by providing the commissioner of human services or the
57.13 commissioner's representative all criminal conviction data available from local and state
57.14 criminal history record repositories related to applicants, operators, all persons living in a
57.15 household, and all staff of any facility subject to background studies under this subdivision.

57.16 (c) For the purpose of this subdivision, the term "secure and nonsecure residential facility
57.17 and detention facility" includes programs licensed or certified under section 241.021,
57.18 subdivision 2.

57.19 (d) If an individual is disqualified, the Department of Human Services shall notify the
57.20 disqualified individual and the facility in which the disqualified individual provides services
57.21 of the disqualification and shall inform the disqualified individual of the right to request a
57.22 reconsideration of the disqualification by submitting the request to the Department of
57.23 Corrections.

57.24 (e) The commissioner of corrections shall review and make decisions regarding
57.25 reconsideration requests, including whether to grant variances, according to the procedures
57.26 and criteria in this chapter. The commissioner of corrections shall inform the requesting
57.27 individual and the Department of Human Services of the commissioner of corrections'
57.28 decision regarding the reconsideration. The commissioner of corrections' decision to grant
57.29 or deny a reconsideration of a disqualification is the final administrative agency action.

57.30 **Subd. 6. Unlicensed home and community-based waiver providers of service to**
57.31 **seniors and individuals with disabilities.** (a) The commissioner shall conduct background
57.32 studies ~~on~~ of any individual ~~required under section 256B.4912 to have a background study~~
57.33 ~~completed under this chapter~~ who provides direct contact, as defined in section 245C.02,
57.34 subdivision 11, for services specified in the federally approved home and community-based

58.1 waiver plans under section 256B.4912. The individual studied must meet the requirements
 58.2 of this chapter prior to providing waiver services and as part of ongoing enrollment.

58.3 (b) The requirements in paragraph (a) apply to consumer-directed community supports
 58.4 under section 256B.4911.

58.5 Subd. 6a. **Legal nonlicensed and certified child care programs.** The commissioner
 58.6 shall conduct background studies ~~on an individual~~ for each child care background study
 58.7 subject as defined in section 245C.02, subdivision 6a, as required under by sections 119B.125
 58.8 and 245H.10 to complete a background study under this chapter.

58.9 Subd. 7. **Children's therapeutic services and supports providers.** The commissioner
 58.10 shall conduct background studies ~~according to this chapter when initiated by a children's~~
 58.11 ~~therapeutic services and supports provider~~ of all direct service providers and volunteers for
 58.12 children's therapeutic services and supports providers under section 256B.0943.

58.13 ~~Subd. 8. **Self-initiated background studies.** Upon implementation of NETStudy 2.0,~~
 58.14 ~~the commissioner shall conduct background studies according to this chapter when initiated~~
 58.15 ~~by an individual who is not on the master roster. A subject under this subdivision who is~~
 58.16 ~~not disqualified must be placed on the inactive roster.~~

58.17 Subd. 9. **Community first services and supports and financial management services**
 58.18 **organizations.** ~~The commissioner shall conduct background studies on any individual~~
 58.19 ~~required under section 256B.85 to have a background study completed under this chapter.~~
 58.20 Individuals affiliated with Community First Services and Supports (CFSS) agency-providers
 58.21 and Financial Management Services (FMS) providers enrolled to provide CFSS services
 58.22 under the medical assistance program must meet the following requirements:

58.23 (1) owners who have a five percent interest or more and all managing employees are
 58.24 subject to a background study under this chapter. This requirement applies to currently
 58.25 enrolled providers and agencies seeking enrollment. "Managing employee" has the meaning
 58.26 given in Code of Federal Regulations, title 42, section 455.101. An organization is barred
 58.27 from enrollment if:

58.28 (i) the organization has not initiated background studies of owners and managing
 58.29 employees; or

58.30 (ii) the organization has initiated background studies of owners and managing employees
 58.31 and the commissioner has sent the organization a notice that an owner or managing employee
 58.32 of the organization has been disqualified under section 245C.14 and the owner or managing
 58.33 employee has not received a set aside of the disqualification under section 245C.22;

59.1 (2) a background study must be initiated and completed for all staff who will have direct
 59.2 contact with the participant to provide worker training and development; and

59.3 (3) a background study must be initiated and completed for all support workers.

59.4 **Subd. 9a. Exception to support worker requirements for continuity of services.** The
 59.5 support worker for a participant may enroll with a different Community First Services and
 59.6 Supports (CFSS) agency-provider or Financial Management Services (FMS) provider upon
 59.7 initiation, rather than completion, of a new background study according to this chapter if:

59.8 (1) the commissioner determines that the support worker's change in enrollment or
 59.9 affiliation is necessary to ensure continuity of services and to protect the health and safety
 59.10 of the participant;

59.11 (2) the chosen agency-provider or FMS provider has been continuously enrolled as a
 59.12 CFSS agency-provider or FMS provider for at least two years or since the inception of the
 59.13 CFSS program, whichever is shorter;

59.14 (3) the participant served by the support worker chooses to transfer to the CFSS
 59.15 agency-provider or the FMS provider to which the support worker is transferring;

59.16 (4) the support worker has been continuously enrolled with the former CFSS
 59.17 agency-provider or FMS provider since the support worker's last background study was
 59.18 completed; and

59.19 (5) the support worker continues to meet the requirements of section 256B.85, subdivision
 59.20 16, notwithstanding paragraph (a), clause (1).

59.21 **Subd. 10. Providers of group residential housing or supplementary services.** (a) The
 59.22 commissioner shall conduct background studies on any individual required under section
 59.23 256I.04 to have a background study completed under this chapter. of the following individuals
 59.24 who provide services under section 256I.04:

59.25 (1) controlling individuals as defined in section 245A.02;

59.26 (2) managerial officials as defined in section 245A.02; and

59.27 (3) all employees and volunteers of the establishment who have direct contact with
 59.28 recipients or who have unsupervised access to recipients, recipients' personal property, or
 59.29 recipients' private data.

59.30 (b) The provider of housing support must comply with all requirements for entities
 59.31 initiating background studies under this chapter.

60.1 (c) A provider of housing support must demonstrate that all individuals who are required
 60.2 to have a background study according to paragraph (a) have a notice stating that:

60.3 (1) the individual is not disqualified under section 245C.14; or

60.4 (2) the individual is disqualified and the individual has been issued a set aside of the
 60.5 disqualification for the setting under section 245C.22.

60.6 ~~Subd. 11. **Child protection workers or social services staff having responsibility for**~~
 60.7 ~~**child protective duties.** (a) The commissioner must complete background studies, according~~
 60.8 ~~to paragraph (b) and section 245C.04, subdivision 10, when initiated by a county social~~
 60.9 ~~services agency or by a local welfare agency according to section 626.559, subdivision 1b.~~

60.10 ~~(b) For background studies completed by the commissioner under this subdivision, the~~
 60.11 ~~commissioner shall not make a disqualification decision, but shall provide the background~~
 60.12 ~~study information received to the county that initiated the study.~~

60.13 ~~Subd. 12. **Providers of special transportation service.** (a) The commissioner shall~~
 60.14 ~~conduct background studies on any individual required under section 174.30 to have a~~
 60.15 ~~background study completed under this chapter. of the following individuals who provide~~
 60.16 ~~special transportation services under section 174.30:~~

60.17 (1) each person with a direct or indirect ownership interest of five percent or higher in
 60.18 a transportation service provider;

60.19 (2) each controlling individual as defined under section 245A.02;

60.20 (3) a managerial official as defined in section 245A.02;

60.21 (4) each driver employed by the transportation service provider;

60.22 (5) each individual employed by the transportation service provider to assist a passenger
 60.23 during transport; and

60.24 (6) each employee of the transportation service agency who provides administrative
 60.25 support, including an employee who:

60.26 (i) may have face-to-face contact with or access to passengers, passengers' personal
 60.27 property, or passengers' private data;

60.28 (ii) performs any scheduling or dispatching tasks; or

60.29 (iii) performs any billing activities.

60.30 (b) When a local or contracted agency is authorizing a ride under section 256B.0625,
 60.31 subdivision 17, by a volunteer driver, and the agency authorizing the ride has a reason to

61.1 believe that the volunteer driver has a history that would disqualify the volunteer driver or
 61.2 that may pose a risk to the health or safety of passengers, the agency may initiate a
 61.3 background study that shall be completed according to this chapter using the commissioner
 61.4 of human services' online NETStudy system, or by contacting the Department of Human
 61.5 Services background study division for assistance. The agency that initiates the background
 61.6 study under this paragraph shall be responsible for providing the volunteer driver with the
 61.7 privacy notice required by section 245C.05, subdivision 2c, and with the payment for the
 61.8 background study required by section 245C.10 before the background study is completed.

61.9 **Subd. 13. Providers of housing support services.** The commissioner shall conduct
 61.10 background studies ~~on~~ of any individual provider of housing support services required under
 61.11 by section 256B.051 to have a background study completed under this chapter.

61.12 **Subd. 14. Tribal nursing facilities.** For completed background studies to comply with
 61.13 a Tribal organization's licensing requirements for individuals affiliated with a tribally licensed
 61.14 nursing facility, the commissioner shall obtain state and national criminal history data.

61.15 **Subd. 15. Early intensive developmental and behavioral intervention providers.** The
 61.16 commissioner shall conduct background studies according to this chapter when initiated by
 61.17 an early intensive developmental and behavioral intervention provider under section
 61.18 256B.0949.

61.19 **EFFECTIVE DATE.** This section is effective July 1, 2021, except subdivision 6,
 61.20 paragraph (b), is effective upon federal approval and subdivision 15 is effective the day
 61.21 following final enactment. The commissioner of human services shall notify the revisor of
 61.22 statutes when federal approval is obtained.

61.23 **Sec. 18. [245C.031] BACKGROUND STUDY; ALTERNATIVE BACKGROUND**
 61.24 **STUDIES.**

61.25 **Subdivision 1. Alternative background studies.** (a) The commissioner shall conduct
 61.26 an alternative background study of individuals listed in this section.

61.27 (b) Notwithstanding other sections of this chapter, all alternative background studies
 61.28 except subdivision 12 shall be conducted according to this section and with section 299C.60
 61.29 to 299C.64.

61.30 (c) All terms in this section shall have the definitions provided in section 245C.02.

61.31 (d) The entity that submits an alternative background study request under this section
 61.32 shall submit the request to the commissioner according to section 245C.05.

62.1 (e) The commissioner shall comply with the destruction requirements in section 245C.051.

62.2 (f) Background studies conducted under this section are subject to the provisions of
62.3 section 245C.32.

62.4 (g) The commissioner shall forward all information that the commissioner receives under
62.5 section 245C.08 to the entity that submitted the alternative background study request under
62.6 subdivision 2. The commissioner shall not make any eligibility determinations regarding
62.7 background studies conducted under this section.

62.8 Subd. 2. **Access to information.** Each entity that submits an alternative background
62.9 study request shall enter into an agreement with the commissioner before submitting requests
62.10 for alternative background studies under this section. As a part of the agreement, the entity
62.11 must agree to comply with state and federal law.

62.12 Subd. 3. **Child protection workers or social services staff having responsibility for**
62.13 **child protective duties.** The commissioner shall conduct an alternative background study
62.14 of any person who has responsibility for child protection duties when the background study
62.15 is initiated by a county social services agency or by a local welfare agency according to
62.16 section 260E.36, subdivision 3.

62.17 Subd. 4. **Applicants, licensees, and other occupations regulated by the commissioner**
62.18 **of health.** The commissioner shall conduct an alternative background study, including a
62.19 check of state data, and a national criminal history records check of the following individuals.
62.20 For studies under this section, the following persons shall complete a consent form:

62.21 (1) an applicant for initial licensure, temporary licensure, or relicensure after a lapse in
62.22 licensure as an audiologist or speech-language pathologist or an applicant for initial
62.23 certification as a hearing instrument dispenser who must submit to a background study
62.24 under section 144.0572.

62.25 (2) an applicant for a renewal license or certificate as an audiologist, speech-language
62.26 pathologist, or hearing instrument dispenser who was licensed or obtained a certificate
62.27 before January 1, 2018.

62.28 Subd. 5. **Guardians and conservators.** (a) The commissioner shall conduct an alternative
62.29 background study of:

62.30 (1) every court-appointed guardian and conservator, unless a background study has been
62.31 completed of the person under this section within the previous five years. The alternative
62.32 background study shall be completed prior to the appointment of the guardian or conservator,
62.33 unless a court determines that it would be in the best interests of the ward or protected person

63.1 to appoint a guardian or conservator before the alternative background study can be
 63.2 completed. If the court appoints the guardian or conservator while the alternative background
 63.3 study is pending, the alternative background study must be completed as soon as reasonably
 63.4 possible after the guardian or conservator's appointment and no later than 30 days after the
 63.5 guardian or conservator's appointment; and

63.6 (2) a guardian and a conservator once every five years after the guardian or conservator's
 63.7 appointment if the person continues to serve as a guardian or conservator.

63.8 (b) An alternative background study is not required if the guardian or conservator is:

63.9 (1) a state agency or county;

63.10 (2) a parent or guardian of a proposed ward or protected person who has a developmental
 63.11 disability if the parent or guardian has raised the proposed ward or protected person in the
 63.12 family home until the time that the petition is filed, unless counsel appointed for the proposed
 63.13 ward or protected person under section 524.5-205, paragraph (d); 524.5-304, paragraph (b);
 63.14 524.5-405, paragraph (a); or 524.5-406, paragraph (b), recommends a background study;
 63.15 or

63.16 (3) a bank with trust powers, a bank and trust company, or a trust company, organized
 63.17 under the laws of any state or of the United States and regulated by the commissioner of
 63.18 commerce or a federal regulator.

63.19 Subd. 6. **Guardians and conservators; required checks.** (a) An alternative background
 63.20 study for a guardian or conservator pursuant to subdivision 5 shall include:

63.21 (1) criminal history data from the Bureau of Criminal Apprehension and other criminal
 63.22 history data obtained by the commissioner of human services;

63.23 (2) data regarding whether the person has been a perpetrator of substantiated maltreatment
 63.24 of a vulnerable adult under section 626.557 or a minor under chapter 260E. If the subject
 63.25 of the study has been the perpetrator of substantiated maltreatment of a vulnerable adult or
 63.26 a minor, the commissioner must include a copy of the public portion of the investigation
 63.27 memorandum under section 626.557, subdivision 12b, or the public portion of the
 63.28 investigation memorandum under section 260E.30. The commissioner shall provide the
 63.29 court with information from a review of information according to subdivision 7 if the study
 63.30 subject provided information that the study subject has a current or prior affiliation with a
 63.31 state licensing agency;

63.32 (3) criminal history data from a national criminal history record check as defined in
 63.33 section 245C.02, subdivision 13c; and

64.1 (4) state licensing agency data if a search of the database or databases of the agencies
 64.2 listed in subdivision 7 shows that the proposed guardian or conservator has held a
 64.3 professional license directly related to the responsibilities of a professional fiduciary from
 64.4 an agency listed in subdivision 7 that was conditioned, suspended, revoked, or canceled.

64.5 (b) If the guardian or conservator is not an individual, the background study must be
 64.6 completed of all individuals who are currently employed by the proposed guardian or
 64.7 conservator who are responsible for exercising powers and duties under the guardianship
 64.8 or conservatorship.

64.9 **Subd. 7. Guardians and conservators; state licensing data.** (a) Within 25 working
 64.10 days of receiving the request for an alternative background study of a guardian or conservator,
 64.11 the commissioner shall provide the court with licensing agency data for licenses directly
 64.12 related to the responsibilities of a guardian or conservator if the study subject has a current
 64.13 or prior affiliation with the:

64.14 (1) Lawyers Responsibility Board;

64.15 (2) State Board of Accountancy;

64.16 (3) Board of Social Work;

64.17 (4) Board of Psychology;

64.18 (5) Board of Nursing;

64.19 (6) Board of Medical Practice;

64.20 (7) Department of Education;

64.21 (8) Department of Commerce;

64.22 (9) Board of Chiropractic Examiners;

64.23 (10) Board of Dentistry;

64.24 (11) Board of Marriage and Family Therapy;

64.25 (12) Department of Human Services;

64.26 (13) Peace Officer Standards and Training (POST) Board; and

64.27 (14) Professional Educator Licensing and Standards Board.

64.28 (b) The commissioner and each of the agencies listed above, except for the Department
 64.29 of Human Services, shall enter into a written agreement to provide the commissioner with

65.1 electronic access to the relevant licensing data and to provide the commissioner with a
65.2 quarterly list of new sanctions issued by the agency.

65.3 (c) The commissioner shall provide to the court the electronically available data
65.4 maintained in the agency's database, including whether the proposed guardian or conservator
65.5 is or has been licensed by the agency and whether a disciplinary action or a sanction against
65.6 the individual's license, including a condition, suspension, revocation, or cancellation, is in
65.7 the licensing agency's database.

65.8 (d) If the proposed guardian or conservator has resided in a state other than Minnesota
65.9 during the previous ten years, licensing agency data under this section shall also include
65.10 licensing agency data from any other state where the proposed guardian or conservator
65.11 reported to have resided during the previous ten years if the study subject has a current or
65.12 prior affiliation to the licensing agency. If the proposed guardian or conservator has or has
65.13 had a professional license in another state that is directly related to the responsibilities of a
65.14 guardian or conservator from one of the agencies listed under paragraph (a), state licensing
65.15 agency data shall also include data from the relevant licensing agency of the other state.

65.16 (e) The commissioner is not required to repeat a search for Minnesota or out-of-state
65.17 licensing data on an individual if the commissioner has provided this information to the
65.18 court within the prior five years.

65.19 (f) The commissioner shall review the information in paragraph (c) at least once every
65.20 four months to determine whether an individual who has been studied within the previous
65.21 five years:

- 65.22 (1) has any new disciplinary action or sanction against the individual's license; or
65.23 (2) did not disclose a prior or current affiliation with a Minnesota licensing agency.

65.24 (g) If the commissioner's review in paragraph (f) identifies new information, the
65.25 commissioner shall provide any new information to the court.

65.26 Subd. 8. **Guardians ad litem.** The commissioner shall conduct an alternative background
65.27 study of:

- 65.28 (1) a guardian ad litem appointed under section 518.165 if a background study of the
65.29 guardian ad litem has not been completed within the past three years. The background study
65.30 of the guardian ad litem must be completed before the court appoints the guardian ad litem,
65.31 unless the court determines that it is in the best interests of the child to appoint the guardian
65.32 ad litem before a background study is completed by the commissioner.

66.1 (2) a guardian ad litem once every three years after the guardian has been appointed, as
66.2 long as the individual continues to serve as a guardian ad litem.

66.3 Subd. 9. **Guardians ad litem; required checks.** (a) An alternative background study
66.4 for a guardian ad litem under subdivision 8 must include:

66.5 (1) criminal history data from the Bureau of Criminal Apprehension and other criminal
66.6 history data obtained by the commissioner of human services; and

66.7 (2) data regarding whether the person has been a perpetrator of substantiated maltreatment
66.8 of a minor or a vulnerable adult. If the study subject has been determined by the Department
66.9 of Human Services or the Department of Health to be the perpetrator of substantiated
66.10 maltreatment of a minor or a vulnerable adult in a licensed facility, the response must include
66.11 a copy of the public portion of the investigation memorandum under section 260E.30 or the
66.12 public portion of the investigation memorandum under section 626.557, subdivision 12b.
66.13 When the background study shows that the subject has been determined by a county adult
66.14 protection or child protection agency to have been responsible for maltreatment, the court
66.15 shall be informed of the county, the date of the finding, and the nature of the maltreatment
66.16 that was substantiated.

66.17 (b) For checks of records under paragraph (a), clauses (1) and (2), the commissioner
66.18 shall provide the records within 15 working days of receiving the request. The information
66.19 obtained under sections 245C.05 and 245C.08 from a national criminal history records
66.20 check shall be provided within three working days of the commissioner's receipt of the data.

66.21 (c) Notwithstanding section 260E.30 or 626.557, subdivision 12b, if the commissioner
66.22 or county lead agency or lead investigative agency has information that a person of whom
66.23 a background study was previously completed under this section has been determined to
66.24 be a perpetrator of maltreatment of a minor or vulnerable adult, the commissioner or the
66.25 county may provide this information to the court that requested the background study.

66.26 Subd. 10. **First-time applicants for educator licenses with the Professional Educator**
66.27 **Licensing and Standards Board.** The Professional Educator Licensing and Standards
66.28 Board shall make all eligibility determinations for alternative background studies conducted
66.29 under this section for the Professional Educator Licensing and Standards Board. The
66.30 commissioner may conduct an alternative background study of all first-time applicants for
66.31 educator licenses pursuant to section 122A.18, subdivision 8. The alternative background
66.32 study for all first-time applicants for educator licenses must include a review of information
66.33 from the Bureau of Criminal Apprehension, including criminal history data as defined in
66.34 section 13.87, and must also include a review of the national criminal records repository.

67.1 Subd. 11. **First-time applicants for administrator licenses with the Board of School**
 67.2 **Administrators.** The Board of School Administrators shall make all eligibility determinations
 67.3 for alternative background studies conducted under this section for the Board of School
 67.4 Administrators. The commissioner may conduct an alternative background study of all
 67.5 first-time applicants for administrator licenses pursuant to section 122A.18, subdivision 8.
 67.6 The alternative background study for all first-time applicants for administrator licenses must
 67.7 include a review of information from the Bureau of Criminal Apprehension, including
 67.8 criminal history data as defined in section 13.87, and must also include a review of the
 67.9 national criminal records repository.

67.10 Subd. 12. **Occupations regulated by MNsure.** (a) The commissioner shall conduct a
 67.11 background study of any individual required under section 62V.05 to have a background
 67.12 study completed under this chapter. Notwithstanding subdivision 1, paragraph (g), the
 67.13 commissioner shall conduct a background study only based on Minnesota criminal records
 67.14 of:

67.15 (1) each navigator;

67.16 (2) each in-person assister; and

67.17 (3) each certified application counselor.

67.18 (b) The MNsure board of directors may initiate background studies required by paragraph
 67.19 (a) using the online NETStudy 2.0 system operated by the commissioner.

67.20 (c) The commissioner shall review information that the commissioner receives to
 67.21 determine if the study subject has potentially disqualifying offenses. The commissioner
 67.22 shall send a letter to the subject indicating any of the subject's potential disqualifications as
 67.23 well as any relevant records. The commissioner shall send a copy of the letter indicating
 67.24 any of the subject's potential disqualifications to the MNsure board.

67.25 (d) The MNsure board or its delegate shall review a reconsideration request of an
 67.26 individual in paragraph (a), including granting a set aside, according to the procedures and
 67.27 criteria in chapter 245C. The board shall notify the individual and the Department of Human
 67.28 Services of the board's decision.

67.29 Sec. 19. **[245C.032] PUBLIC LAW BACKGROUND STUDIES.**

67.30 Subdivision 1. **Public law background studies.** (a) Notwithstanding all other sections
 67.31 of chapter 245C, the commissioner shall conduct public law background studies exclusively
 67.32 in accordance with this section. The commissioner shall conduct a public law background

68.1 study under this section for an individual having direct contact with persons served by a
68.2 licensed sex offender treatment program under chapters 246B and 253D.

68.3 (b) All terms in this section shall have the definitions provided in section 245C.02.

68.4 (c) The commissioner shall conduct public law background studies according to the
68.5 following:

68.6 (1) section 245C.04, subdivision 1, paragraphs (a), (b), (d), (g), (h), and (i), subdivision
68.7 4a, and subdivision 7;

68.8 (2) section 245C.05, subdivision 1, paragraphs (a) and (d), subdivisions 2, 2c, and 2d,
68.9 subdivision 4, paragraph (a), clauses (1) and (2), subdivision 5, paragraphs (b) to (f), and
68.10 subdivisions 6 and 7;

68.11 (3) section 245C.051;

68.12 (4) section 245C.07, paragraphs (a), (b), (d), and (f);

68.13 (5) section 245C.08, subdivision 1, paragraph (a), clauses (1) to (5), paragraphs (b), (c),
68.14 (d), and (e), subdivision 3, and subdivision 4, paragraphs (a), (c), (d), and (e);

68.15 (6) section 245C.09, subdivisions 1 and 2;

68.16 (7) section 245C.10, subdivision 9;

68.17 (8) section 245C.13, subdivision 1, and subdivision 2, paragraph (a), and paragraph (c),
68.18 clauses (1) to (3);

68.19 (9) section 245C.14, subdivisions 1 and 2;

68.20 (10) section 245C.15;

68.21 (11) section 245C.16, subdivision 1, paragraphs (a), (b), (c), and (f), and subdivision 2,
68.22 paragraphs (a) and (b);

68.23 (12) section 245C.17, subdivision 1, subdivision 2, paragraph (a), clauses (1) to (3),
68.24 clause (6), item (ii), subdivision 3, paragraphs (a) and (b), paragraph (c), clauses (1) and
68.25 (2), items (ii) and (iii), paragraph (d), clauses (1) and (2), item (ii), and paragraph (e);

68.26 (13) section 245C.18, paragraph (a);

68.27 (14) section 245C.19;

68.28 (15) section 245C.20;

68.29 (16) section 245C.21, subdivision 1, subdivision 1a, paragraph (c), and subdivisions 2,
68.30 3, and 4;

69.1 (17) section 245C.22, subdivisions 1, 2, and 3, subdivision 4, paragraphs (a) to (c),
 69.2 subdivision 5, paragraphs (a), (b), and (d), and subdivision 6;

69.3 (18) section 245C.23, subdivision 1, paragraphs (a) and (b), and subdivision 2, paragraphs
 69.4 (a) to (c);

69.5 (19) section 245C.24, subdivision 2, paragraph (a);

69.6 (20) section 245C.25;

69.7 (21) section 245C.27;

69.8 (22) section 245C.28;

69.9 (23) section 245C.29, subdivision 1, and subdivision 2, paragraphs (a) and (c);

69.10 (24) section 245C.30, subdivision 1, paragraphs (a) and (d), and subdivisions 3 to 5;

69.11 (25) section 245C.31; and

69.12 (26) section 245C.32.

69.13 Subd. 2. **Classification of public law background study data; access to**
 69.14 **information.** All data obtained by the commissioner for a background study completed
 69.15 under this section shall be classified as private data.

69.16 Sec. 20. Minnesota Statutes 2020, section 245C.05, subdivision 1, is amended to read:

69.17 Subdivision 1. **Individual studied.** (a) The individual who is the subject of the
 69.18 background study must provide the applicant, license holder, or other entity under section
 69.19 245C.04 with sufficient information to ensure an accurate study, including:

69.20 (1) the individual's first, middle, and last name and all other names by which the
 69.21 individual has been known;

69.22 (2) current home address, city, and state of residence;

69.23 (3) current zip code;

69.24 (4) sex;

69.25 (5) date of birth;

69.26 (6) driver's license number or state identification number; and

69.27 (7) upon implementation of NETStudy 2.0, the home address, city, county, and state of
 69.28 residence for the past five years.

70.1 (b) Every subject of a background study conducted or initiated by counties or private
 70.2 agencies under this chapter must also provide the home address, city, county, and state of
 70.3 residence for the past five years.

70.4 (c) Every subject of a background study related to private agency adoptions or related
 70.5 to child foster care licensed through a private agency, who is 18 years of age or older, shall
 70.6 also provide the commissioner a signed consent for the release of any information received
 70.7 from national crime information databases to the private agency that initiated the background
 70.8 study.

70.9 (d) The subject of a background study shall provide fingerprints and a photograph as
 70.10 required in subdivision 5.

70.11 (e) The subject of a background study shall submit a completed criminal and maltreatment
 70.12 history records check consent form for applicable national and state level record checks.

70.13 Sec. 21. Minnesota Statutes 2020, section 245C.05, subdivision 2, is amended to read:

70.14 Subd. 2. **Applicant, license holder, or other entity.** (a) The applicant, license holder,
 70.15 or other ~~entities~~ entity initiating the background study as provided in this chapter shall verify
 70.16 that the information collected under subdivision 1 about an individual who is the subject of
 70.17 the background study is correct and must provide the information on forms or in a format
 70.18 prescribed by the commissioner.

70.19 (b) The information collected under subdivision 1 about an individual who is the subject
 70.20 of a completed background study may only be viewable by an entity that initiates a
 70.21 subsequent background study on that individual under NETStudy 2.0 after the entity has
 70.22 paid the applicable fee for the study and has provided the individual with the privacy notice
 70.23 in subdivision 2c.

70.24 Sec. 22. Minnesota Statutes 2020, section 245C.05, subdivision 2a, is amended to read:

70.25 Subd. 2a. **County or private agency.** For background studies related to child foster care
 70.26 when the applicant or license holder resides in the home where child foster care services
 70.27 are provided, county and private agencies initiating the background study must collect the
 70.28 information under subdivision 1 and forward it to the commissioner.

70.29 Sec. 23. Minnesota Statutes 2020, section 245C.05, subdivision 2b, is amended to read:

70.30 Subd. 2b. **County agency to collect and forward information to commissioner.** (a)
 70.31 For background studies related to all family adult day services and to adult foster care when

71.1 the adult foster care license holder resides in the adult foster care residence, the county
 71.2 agency or private agency initiating the background study must collect the information
 71.3 required under subdivision 1 and forward it to the commissioner.

71.4 (b) Upon implementation of NETStudy 2.0, for background studies related to family
 71.5 child care and legal nonlicensed child care authorized under chapter 119B, the county agency
 71.6 initiating the background study must collect the information required under subdivision 1
 71.7 and provide the information to the commissioner.

71.8 Sec. 24. Minnesota Statutes 2020, section 245C.05, subdivision 2c, is amended to read:

71.9 Subd. 2c. **Privacy notice to background study subject.** (a) Prior to initiating each
 71.10 background study, the entity initiating the study must provide the commissioner's privacy
 71.11 notice to the background study subject required under section 13.04, subdivision 2. The
 71.12 notice must be available through the commissioner's electronic NETStudy and NETStudy
 71.13 2.0 systems and shall include the information in paragraphs (b) and (c).

71.14 (b) The background study subject shall be informed that any previous background studies
 71.15 that received a set-aside will be reviewed, and without further contact with the background
 71.16 study subject, the commissioner may notify the agency that initiated the subsequent
 71.17 background study:

71.18 (1) that the individual has a disqualification that has been set aside for the program or
 71.19 agency that initiated the study;

71.20 (2) the reason for the disqualification; and

71.21 (3) that information about the decision to set aside the disqualification will be available
 71.22 to the license holder upon request without the consent of the background study subject.

71.23 (c) The background study subject must also be informed that:

71.24 (1) the subject's fingerprints collected for purposes of completing the background study
 71.25 under this chapter must not be retained by the Department of Public Safety, Bureau of
 71.26 Criminal Apprehension, or by the commissioner. The Federal Bureau of Investigation will
 71.27 ~~only retain fingerprints of subjects with a criminal history~~ not retain background study
 71.28 subjects' fingerprints;

71.29 (2) effective upon implementation of NETStudy 2.0, the subject's photographic image
 71.30 will be retained by the commissioner, and if the subject has provided the subject's Social
 71.31 Security number for purposes of the background study, the photographic image will be

72.1 available to prospective employers and agencies initiating background studies under this
72.2 chapter to verify the identity of the subject of the background study;

72.3 (3) the ~~commissioner's~~ authorized fingerprint collection vendor or vendors shall, for
72.4 purposes of verifying the identity of the background study subject, be able to view the
72.5 identifying information entered into NETStudy 2.0 by the entity that initiated the background
72.6 study, but shall not retain the subject's fingerprints, photograph, or information from
72.7 NETStudy 2.0. The authorized fingerprint collection vendor or vendors shall retain no more
72.8 than the subject's name and the date and time the subject's fingerprints were recorded and
72.9 sent, only as necessary for auditing and billing activities;

72.10 (4) the commissioner shall provide the subject notice, as required in section 245C.17,
72.11 subdivision 1, paragraph (a), when an entity initiates a background study on the individual;

72.12 (5) the subject may request in writing a report listing the entities that initiated a
72.13 background study on the individual as provided in section 245C.17, subdivision 1, paragraph
72.14 (b);

72.15 (6) the subject may request in writing that information used to complete the individual's
72.16 background study in NETStudy 2.0 be destroyed if the requirements of section 245C.051,
72.17 paragraph (a), are met; and

72.18 (7) notwithstanding clause (6), the commissioner shall destroy:

72.19 (i) the subject's photograph after a period of two years when the requirements of section
72.20 245C.051, paragraph (c), are met; and

72.21 (ii) any data collected on a subject under this chapter after a period of two years following
72.22 the individual's death as provided in section 245C.051, paragraph (d).

72.23 Sec. 25. Minnesota Statutes 2020, section 245C.05, subdivision 2d, is amended to read:

72.24 Subd. 2d. **Fingerprint data notification.** The commissioner of human services shall
72.25 notify all background study subjects under this chapter that the Department of Human
72.26 Services, Department of Public Safety, and the Bureau of Criminal Apprehension do not
72.27 retain fingerprint data after a background study is completed, and that the Federal Bureau
72.28 of Investigation ~~only retains the fingerprints of subjects who have a criminal history~~ does
72.29 not retain background study subjects' fingerprints.

73.1 Sec. 26. Minnesota Statutes 2020, section 245C.05, subdivision 4, is amended to read:

73.2 Subd. 4. **Electronic transmission.** (a) For background studies conducted by the
73.3 Department of Human Services, the commissioner shall implement a secure system for the
73.4 electronic transmission of:

73.5 (1) background study information to the commissioner;

73.6 (2) background study results to the license holder;

73.7 (3) background study ~~results~~ information obtained under this section and section 245C.08
73.8 to counties and private agencies for background studies conducted by the commissioner for
73.9 child foster care, including a summary of nondisqualifying results, except as prohibited by
73.10 law; and

73.11 (4) background study results to county agencies for background studies conducted by
73.12 the commissioner for adult foster care and family adult day services and, upon
73.13 implementation of NETStudy 2.0, family child care and legal nonlicensed child care
73.14 authorized under chapter 119B.

73.15 (b) Unless the commissioner has granted a hardship variance under paragraph (c), a
73.16 license holder or an applicant must use the electronic transmission system known as
73.17 NETStudy or NETStudy 2.0 to submit all requests for background studies to the
73.18 commissioner as required by this chapter.

73.19 (c) A license holder or applicant whose program is located in an area in which high-speed
73.20 Internet is inaccessible may request the commissioner to grant a variance to the electronic
73.21 transmission requirement.

73.22 (d) Section 245C.08, subdivision 3, paragraph (c), applies to results transmitted under
73.23 this subdivision.

73.24 **EFFECTIVE DATE.** This section is effective July 1, 2022.

73.25 Sec. 27. Minnesota Statutes 2020, section 245C.05, subdivision 5, is amended to read:

73.26 Subd. 5. **Fingerprints and photograph.** (a) Notwithstanding paragraph (b), for
73.27 background studies conducted by the commissioner for child foster care, children's residential
73.28 facilities, adoptions, or a transfer of permanent legal and physical custody of a child, the
73.29 subject of the background study, who is 18 years of age or older, shall provide the
73.30 commissioner with a set of classifiable fingerprints obtained from an authorized agency for
73.31 a national criminal history record check.

74.1 (b) For background studies initiated on or after the implementation of NETStudy 2.0,
74.2 except as provided under subdivision 5a, every subject of a background study must provide
74.3 the commissioner with a set of the background study subject's classifiable fingerprints and
74.4 photograph. The photograph and fingerprints must be recorded at the same time by the
74.5 ~~commissioner's~~ authorized fingerprint collection vendor or vendors and sent to the
74.6 commissioner through the commissioner's secure data system described in section 245C.32,
74.7 subdivision 1a, paragraph (b).

74.8 (c) The fingerprints shall be submitted by the commissioner to the Bureau of Criminal
74.9 Apprehension and, when specifically required by law, submitted to the Federal Bureau of
74.10 Investigation for a national criminal history record check.

74.11 (d) The fingerprints must not be retained by the Department of Public Safety, Bureau
74.12 of Criminal Apprehension, or the commissioner. The Federal Bureau of Investigation will
74.13 not retain background study subjects' fingerprints.

74.14 (e) The ~~commissioner's~~ authorized fingerprint collection vendor or vendors shall, for
74.15 purposes of verifying the identity of the background study subject, be able to view the
74.16 identifying information entered into NETStudy 2.0 by the entity that initiated the background
74.17 study, but shall not retain the subject's fingerprints, photograph, or information from
74.18 NETStudy 2.0. The authorized fingerprint collection vendor or vendors shall retain no more
74.19 than the name and date and time the subject's fingerprints were recorded and sent, only as
74.20 necessary for auditing and billing activities.

74.21 (f) For any background study conducted under this chapter, the subject shall provide the
74.22 commissioner with a set of classifiable fingerprints when the commissioner has reasonable
74.23 cause to require a national criminal history record check as defined in section 245C.02,
74.24 subdivision 15a.

74.25 Sec. 28. Minnesota Statutes 2020, section 245C.08, subdivision 3, is amended to read:

74.26 Subd. 3. **Arrest and investigative information.** (a) For any background study completed
74.27 under this section, if the commissioner has reasonable cause to believe the information is
74.28 pertinent to the disqualification of an individual, the commissioner also may review arrest
74.29 and investigative information from:

74.30 (1) the Bureau of Criminal Apprehension;

74.31 (2) the commissioners of health and human services;

74.32 (3) a county attorney;

- 75.1 (4) a county sheriff;
- 75.2 (5) a county agency;
- 75.3 (6) a local chief of police;
- 75.4 (7) other states;
- 75.5 (8) the courts;
- 75.6 (9) the Federal Bureau of Investigation;
- 75.7 (10) the National Criminal Records Repository; and
- 75.8 (11) criminal records from other states.

75.9 (b) Except when specifically required by law, the commissioner is not required to conduct
 75.10 more than one review of a subject's records from the Federal Bureau of Investigation if a
 75.11 review of the subject's criminal history with the Federal Bureau of Investigation has already
 75.12 been completed by the commissioner and there has been no break in the subject's affiliation
 75.13 with the entity that initiated the background study.

75.14 (c) If the commissioner conducts a national criminal history record check when required
 75.15 by law and uses the information from the national criminal history record check to make a
 75.16 disqualification determination, the data obtained is private data and cannot be shared with
 75.17 ~~county agencies~~, private agencies, or prospective employers of the background study subject.

75.18 (d) If the commissioner conducts a national criminal history record check when required
 75.19 by law and uses the information from the national criminal history record check to make a
 75.20 disqualification determination, the license holder or entity that submitted the study is not
 75.21 required to obtain a copy of the background study subject's disqualification letter under
 75.22 section 245C.17, subdivision 3.

75.23 **EFFECTIVE DATE.** This section is effective July 1, 2021.

75.24 Sec. 29. Minnesota Statutes 2020, section 245C.08, is amended by adding a subdivision
 75.25 to read:

75.26 **Subd. 5. Authorization.** The commissioner of human services shall be authorized to
 75.27 receive information under this chapter.

76.1 Sec. 30. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision
76.2 to read:

76.3 Subd. 1b. **Background study fees.** (a) The commissioner shall recover the cost of
76.4 background studies. Except as otherwise provided in subdivisions 1c and 1d, the fees
76.5 collected under this section shall be appropriated to the commissioner for the purpose of
76.6 conducting background studies under this chapter. Fees under this section are charges under
76.7 section 16A.1283, paragraph (b), clause (3).

76.8 (b) Background study fees may include:

76.9 (1) a fee to compensate the commissioner's authorized fingerprint collection vendor or
76.10 vendors for obtaining and processing a background study subject's classifiable fingerprints
76.11 and photograph pursuant to subdivision 1c; and

76.12 (2) a separate fee under subdivision 1c to complete a review of background-study-related
76.13 records as authorized under this chapter.

76.14 (c) Fees charged under paragraph (b) may be paid in whole or part when authorized by
76.15 law by a state agency or board; by state court administration; by a service provider, employer,
76.16 license holder, or other organization that initiates the background study; by the commissioner
76.17 or other organization with duly appropriated funds; by a background study subject; or by
76.18 some combination of these sources.

76.19 Sec. 31. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision
76.20 to read:

76.21 Subd. 1c. **Fingerprint and photograph processing fees.** The commissioner shall enter
76.22 into a contract with a qualified vendor or vendors to obtain and process a background study
76.23 subject's classifiable fingerprints and photograph as required by section 245C.05. The
76.24 commissioner may, at their discretion, directly collect fees and reimburse the commissioner's
76.25 authorized fingerprint collection vendor for the vendor's services or require the vendor to
76.26 collect the fees. The authorized vendor is responsible for reimbursing the vendor's
76.27 subcontractors at a rate specified in the contract with the commissioner.

76.28 Sec. 32. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision
76.29 to read:

76.30 Subd. 1d. **National criminal history record check fees.** The commissioner may increase
76.31 background study fees as necessary, commensurate with an increase in the national criminal
76.32 history record check fee. The commissioner shall report any fee increase under this

77.1 subdivision to the legislature during the legislative session following the fee increase, so
77.2 that the legislature may consider adoption of the fee increase into statute. By July 1 of every
77.3 year, background study fees shall be set at the amount adopted by the legislature under this
77.4 section.

77.5 **EFFECTIVE DATE.** This section is effective July 1, 2021.

77.6 Sec. 33. Minnesota Statutes 2020, section 245C.10, subdivision 2, is amended to read:

77.7 Subd. 2. **Supplemental nursing services agencies.** The commissioner shall recover the
77.8 cost of the background studies initiated by supplemental nursing services agencies registered
77.9 under section 144A.71, subdivision 1, through a fee of no more than ~~\$20~~ \$42 per study
77.10 charged to the agency. The fees collected under this subdivision are appropriated to the
77.11 commissioner for the purpose of conducting background studies.

77.12 Sec. 34. Minnesota Statutes 2020, section 245C.10, subdivision 3, is amended to read:

77.13 Subd. 3. **Personal care provider organizations.** The commissioner shall recover the
77.14 cost of background studies initiated by a personal care provider organization under sections
77.15 256B.0651 to 256B.0654 and 256B.0659 through a fee of no more than ~~\$20~~ \$42 per study
77.16 charged to the organization responsible for submitting the background study form. The fees
77.17 collected under this subdivision are appropriated to the commissioner for the purpose of
77.18 conducting background studies.

77.19 Sec. 35. Minnesota Statutes 2020, section 245C.10, subdivision 4, is amended to read:

77.20 Subd. 4. **Temporary personnel agencies, educational programs, and professional**
77.21 **services agencies.** The commissioner shall recover the cost of the background studies
77.22 initiated by temporary personnel agencies, educational programs, and professional services
77.23 agencies that initiate background studies under section 245C.03, subdivision 4, through a
77.24 fee of no more than ~~\$20~~ \$42 per study charged to the agency. The fees collected under this
77.25 subdivision are appropriated to the commissioner for the purpose of conducting background
77.26 studies.

77.27 Sec. 36. Minnesota Statutes 2020, section 245C.10, subdivision 5, is amended to read:

77.28 Subd. 5. **Adult foster care and family adult day services.** The commissioner shall
77.29 recover the cost of background studies required under section 245C.03, subdivision 1, for
77.30 the purposes of adult foster care and family adult day services licensing, through a fee of
77.31 no more than ~~\$20~~ \$42 per study charged to the license holder. The fees collected under this

78.1 subdivision are appropriated to the commissioner for the purpose of conducting background
78.2 studies.

78.3 Sec. 37. Minnesota Statutes 2020, section 245C.10, subdivision 6, is amended to read:

78.4 Subd. 6. **Unlicensed home and community-based waiver providers of service to**
78.5 **seniors and individuals with disabilities.** The commissioner shall recover the cost of
78.6 background studies initiated by unlicensed home and community-based waiver providers
78.7 of service to seniors and individuals with disabilities under section 256B.4912 through a
78.8 fee of no more than ~~\$20~~ \$42 per study.

78.9 Sec. 38. Minnesota Statutes 2020, section 245C.10, subdivision 8, is amended to read:

78.10 Subd. 8. **Children's therapeutic services and supports providers.** The commissioner
78.11 shall recover the cost of background studies required under section 245C.03, subdivision
78.12 7, for the purposes of children's therapeutic services and supports under section 256B.0943,
78.13 through a fee of no more than ~~\$20~~ \$42 per study charged to the license holder. The fees
78.14 collected under this subdivision are appropriated to the commissioner for the purpose of
78.15 conducting background studies.

78.16 Sec. 39. Minnesota Statutes 2020, section 245C.10, subdivision 9, is amended to read:

78.17 Subd. 9. **Human services licensed programs.** The commissioner shall recover the cost
78.18 of background studies required under section 245C.03, subdivision 1, for all programs that
78.19 are licensed by the commissioner, except child foster care when the applicant or license
78.20 holder resides in the home where child foster care services are provided, family child care,
78.21 child care centers, certified license-exempt child care centers, and legal nonlicensed child
78.22 care authorized under chapter 119B, through a fee of no more than ~~\$20~~ \$42 per study charged
78.23 to the license holder. The fees collected under this subdivision are appropriated to the
78.24 commissioner for the purpose of conducting background studies.

78.25 Sec. 40. Minnesota Statutes 2020, section 245C.10, subdivision 9a, is amended to read:

78.26 Subd. 9a. **Child care programs.** The commissioner shall recover the cost of a background
78.27 study required for family child care, certified license-exempt child care centers, licensed
78.28 child care centers, and legal nonlicensed child care providers authorized under chapter 119B
78.29 through a fee of no more than \$40 per study charged to the license holder. A fee of no more
78.30 than ~~\$20~~ \$42 per study shall be charged for studies conducted under section 245C.05,

79.1 subdivision 5a, paragraph (a). The fees collected under this subdivision are appropriated to
79.2 the commissioner to conduct background studies.

79.3 Sec. 41. Minnesota Statutes 2020, section 245C.10, subdivision 10, is amended to read:

79.4 Subd. 10. **Community first services and supports organizations.** The commissioner
79.5 shall recover the cost of background studies initiated by an agency-provider delivering
79.6 services under section 256B.85, subdivision 11, or a financial management services provider
79.7 providing service functions under section 256B.85, subdivision 13, through a fee of no more
79.8 than ~~\$20~~ \$42 per study, charged to the organization responsible for submitting the background
79.9 study form. The fees collected under this subdivision are appropriated to the commissioner
79.10 for the purpose of conducting background studies.

79.11 Sec. 42. Minnesota Statutes 2020, section 245C.10, subdivision 11, is amended to read:

79.12 Subd. 11. **Providers of housing support.** The commissioner shall recover the cost of
79.13 background studies initiated by providers of housing support under section 256I.04 through
79.14 a fee of no more than ~~\$20~~ \$42 per study. The fees collected under this subdivision are
79.15 appropriated to the commissioner for the purpose of conducting background studies.

79.16 Sec. 43. Minnesota Statutes 2020, section 245C.10, subdivision 12, is amended to read:

79.17 Subd. 12. **Child protection workers or social services staff having responsibility for**
79.18 **child protective duties.** The commissioner shall recover the cost of background studies
79.19 initiated by county social services agencies and local welfare agencies for individuals who
79.20 are required to have a background study under section ~~626.559, subdivision 1b~~ 260E.36,
79.21 subdivision 3, through a fee of no more than ~~\$20~~ \$42 per study. The fees collected under
79.22 this subdivision are appropriated to the commissioner for the purpose of conducting
79.23 background studies.

79.24 Sec. 44. Minnesota Statutes 2020, section 245C.10, subdivision 13, is amended to read:

79.25 Subd. 13. **Providers of special transportation service.** The commissioner shall recover
79.26 the cost of background studies initiated by providers of special transportation service under
79.27 section 174.30 through a fee of no more than ~~\$20~~ \$42 per study. The fees collected under
79.28 this subdivision are appropriated to the commissioner for the purpose of conducting
79.29 background studies.

80.1 Sec. 45. Minnesota Statutes 2020, section 245C.10, subdivision 15, is amended to read:

80.2 Subd. 15. **Guardians and conservators.** The commissioner shall recover the cost of
80.3 conducting background studies for guardians and conservators under section 524.5-118
80.4 through a fee of no more than \$110 per study. The fees collected under this subdivision are
80.5 appropriated to the commissioner for the purpose of conducting background studies. The
80.6 fee for conducting an alternative background study for appointment of a professional guardian
80.7 or conservator must be paid by the guardian or conservator. In other cases, the fee must be
80.8 paid as follows:

80.9 (1) if the matter is proceeding in forma pauperis, the fee must be paid as an expense for
80.10 purposes of section 524.5-502, paragraph (a);

80.11 (2) if there is an estate of the ward or protected person, the fee must be paid from the
80.12 estate; or

80.13 (3) in the case of a guardianship or conservatorship of a person that is not proceeding
80.14 in forma pauperis, the fee must be paid by the guardian, conservator, or the court.

80.15 Sec. 46. Minnesota Statutes 2020, section 245C.10, subdivision 16, is amended to read:

80.16 Subd. 16. **Providers of housing support services.** The commissioner shall recover the
80.17 cost of background studies initiated by providers of housing support services under section
80.18 256B.051 through a fee of no more than ~~\$20~~ \$42 per study. The fees collected under this
80.19 subdivision are appropriated to the commissioner for the purpose of conducting background
80.20 studies.

80.21 Sec. 47. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision
80.22 to read:

80.23 Subd. 17. **Early intensive developmental and behavioral intervention providers.** The
80.24 commissioner shall recover the cost of background studies required under section 245C.03,
80.25 subdivision 15, for the purposes of early intensive developmental and behavioral intervention
80.26 under section 256B.0949, through a fee of no more than \$42 per study charged to the enrolled
80.27 agency. The fees collected under this subdivision are appropriated to the commissioner for
80.28 the purpose of conducting background studies.

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

81.1 Sec. 48. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision
81.2 to read:

81.3 Subd. 18. **Applicants, licensees, and other occupations regulated by commissioner**
81.4 **of health.** The applicant or license holder is responsible for paying to the Department of
81.5 Human Services all fees associated with the preparation of the fingerprints, the criminal
81.6 records check consent form, and the criminal background check.

81.7 Sec. 49. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision
81.8 to read:

81.9 Subd. 19. **Occupations regulated by MNsure.** The commissioner shall set fees to
81.10 recover the cost of background studies and criminal background checks initiated by MNsure
81.11 under sections 62V.05 and 245C.031. The fee amount shall be established through
81.12 interagency agreement between the commissioner and the board of MNsure or its designee.
81.13 The fees collected under this subdivision shall be deposited in the special revenue fund and
81.14 are appropriated to the commissioner for the purpose of conducting background studies and
81.15 criminal background checks.

81.16 Sec. 50. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision
81.17 to read:

81.18 Subd. 20. **Professional Educators Licensing Standards Board.** The commissioner
81.19 shall recover the cost of background studies initiated by the Professional Educators Licensing
81.20 Standards Board through a fee of no more than \$51 per study. Fees collected under this
81.21 subdivision are appropriated to the commissioner for purposes of conducting background
81.22 studies.

81.23 Sec. 51. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision
81.24 to read:

81.25 Subd. 21. **Board of School Administrators.** The commissioner shall recover the cost
81.26 of background studies initiated by the Board of School Administrators through a fee of no
81.27 more than \$51 per study. Fees collected under this subdivision are appropriated to the
81.28 commissioner for purposes of conducting background studies.

82.1 Sec. 52. Minnesota Statutes 2020, section 245C.13, subdivision 2, is amended to read:

82.2 Subd. 2. **Activities pending completion of background study.** The subject of a
82.3 background study may not perform any activity requiring a background study under
82.4 paragraph (c) until the commissioner has issued one of the notices under paragraph (a).

82.5 (a) Notices from the commissioner required prior to activity under paragraph (c) include:

82.6 (1) a notice of the study results under section 245C.17 stating that:

82.7 (i) the individual is not disqualified; or

82.8 (ii) more time is needed to complete the study but the individual is not required to be
82.9 removed from direct contact or access to people receiving services prior to completion of
82.10 the study as provided under section 245C.17, subdivision 1, paragraph (b) or (c). The notice
82.11 that more time is needed to complete the study must also indicate whether the individual is
82.12 required to be under continuous direct supervision prior to completion of the background
82.13 study. When more time is necessary to complete a background study of an individual
82.14 affiliated with a Title IV-E eligible children's residential facility or foster residence setting,
82.15 the individual may not work in the facility or setting regardless of whether or not the
82.16 individual is supervised;

82.17 (2) a notice that a disqualification has been set aside under section 245C.23; or

82.18 (3) a notice that a variance has been granted related to the individual under section
82.19 245C.30.

82.20 (b) For a background study affiliated with a licensed child care center or certified
82.21 license-exempt child care center, the notice sent under paragraph (a), clause (1), item (ii),
82.22 must require the individual to be under continuous direct supervision prior to completion
82.23 of the background study except as permitted in subdivision 3.

82.24 (c) Activities prohibited prior to receipt of notice under paragraph (a) include:

82.25 (1) being issued a license;

82.26 (2) living in the household where the licensed program will be provided;

82.27 (3) providing direct contact services to persons served by a program unless the subject
82.28 is under continuous direct supervision;

82.29 (4) having access to persons receiving services if the background study was completed
82.30 under section 144.057, subdivision 1, or 245C.03, subdivision 1, paragraph (a), clause (2),
82.31 (5), or (6), unless the subject is under continuous direct supervision;

83.1 (5) for licensed child care centers and certified license-exempt child care centers,
 83.2 providing direct contact services to persons served by the program; ~~or~~

83.3 (6) for children's residential facilities or foster residence settings, working in the facility
 83.4 or setting; or

83.5 (7) for background studies affiliated with a personal care provider organization, except
 83.6 as provided in section 245C.03, subdivision 3b, before a personal care assistant provides
 83.7 services, the personal care assistance provider agency must initiate a background study of
 83.8 the personal care assistant under this chapter and the personal care assistance provider
 83.9 agency must have received a notice from the commissioner that the personal care assistant
 83.10 is:

83.11 (i) not disqualified under section 245C.14; or

83.12 (ii) disqualified, but the personal care assistant has received a set aside of the
 83.13 disqualification under section 245C.22.

83.14 Sec. 53. Minnesota Statutes 2020, section 245C.14, subdivision 1, is amended to read:

83.15 Subdivision 1. **Disqualification from direct contact.** (a) The commissioner shall
 83.16 disqualify an individual who is the subject of a background study from any position allowing
 83.17 direct contact with persons receiving services from the license holder or entity identified in
 83.18 section 245C.03, upon receipt of information showing, or when a background study
 83.19 completed under this chapter shows any of the following:

83.20 (1) a conviction of, admission to, or Alford plea to one or more crimes listed in section
 83.21 245C.15, regardless of whether the conviction or admission is a felony, gross misdemeanor,
 83.22 or misdemeanor level crime;

83.23 (2) a preponderance of the evidence indicates the individual has committed an act or
 83.24 acts that meet the definition of any of the crimes listed in section 245C.15, regardless of
 83.25 whether the preponderance of the evidence is for a felony, gross misdemeanor, or
 83.26 misdemeanor level crime; or

83.27 (3) an investigation results in an administrative determination listed under section
 83.28 245C.15, subdivision 4, paragraph (b).

83.29 (b) No individual who is disqualified following a background study under section
 83.30 245C.03, subdivisions 1 and 2, may be retained in a position involving direct contact with
 83.31 persons served by a program or entity identified in section 245C.03, unless the commissioner
 83.32 has provided written notice under section 245C.17 stating that:

84.1 (1) the individual may remain in direct contact during the period in which the individual
84.2 may request reconsideration as provided in section 245C.21, subdivision 2;

84.3 (2) the commissioner has set aside the individual's disqualification for that program or
84.4 entity identified in section 245C.03, as provided in section 245C.22, subdivision 4; or

84.5 (3) the license holder has been granted a variance for the disqualified individual under
84.6 section 245C.30.

84.7 (c) Notwithstanding paragraph (a), for the purposes of a background study affiliated
84.8 with a licensed family foster setting, the commissioner shall disqualify an individual who
84.9 is the subject of a background study from any position allowing direct contact with persons
84.10 receiving services from the license holder or entity identified in section 245C.03, upon
84.11 receipt of information showing or when a background study completed under this chapter
84.12 shows reason for disqualification under section 245C.15, subdivision 4a.

84.13 **EFFECTIVE DATE.** This section is effective July 1, 2022.

84.14 Sec. 54. Minnesota Statutes 2020, section 245C.14, is amended by adding a subdivision
84.15 to read:

84.16 **Subd. 4. Disqualification from working in licensed child care centers or certified**
84.17 **license-exempt child care centers.** (a) For a background study affiliated with a licensed
84.18 child care center or certified license-exempt child care center, if an individual is disqualified
84.19 from direct contact under subdivision 1, the commissioner must also disqualify the individual
84.20 from working in any position regardless of whether the individual would have direct contact
84.21 with or access to children served in the licensed child care center or certified license-exempt
84.22 child care center and from having access to a person receiving services from the center.

84.23 (b) Notwithstanding any other requirement of this chapter, for a background study
84.24 affiliated with a licensed child care center or a certified license-exempt child care center, if
84.25 an individual is disqualified, the individual may not work in the child care center until the
84.26 commissioner has issued a notice stating that:

84.27 (1) the individual is not disqualified;

84.28 (2) a disqualification has been set aside under section 245C.23; or

84.29 (3) a variance has been granted related to the individual under section 245C.30.

85.1 Sec. 55. Minnesota Statutes 2020, section 245C.15, is amended by adding a subdivision
85.2 to read:

85.3 Subd. 4a. Licensed family foster setting disqualifications. (a) Notwithstanding
85.4 subdivisions 1 to 4, for a background study affiliated with a licensed family foster setting,
85.5 regardless of how much time has passed, an individual is disqualified under section 245C.14
85.6 if the individual committed an act that resulted in a felony-level conviction for sections:
85.7 609.185 (murder in the first degree); 609.19 (murder in the second degree); 609.195 (murder
85.8 in the third degree); 609.20 (manslaughter in the first degree); 609.205 (manslaughter in
85.9 the second degree); 609.2112 (criminal vehicular homicide); 609.221 (assault in the first
85.10 degree); 609.223, subdivision 2 (assault in the third degree, past pattern of child abuse);
85.11 609.223, subdivision 3 (assault in the third degree, victim under four); a felony offense
85.12 under sections 609.2242 and 609.2243 (domestic assault, spousal abuse, child abuse or
85.13 neglect, or a crime against children); 609.2247 (domestic assault by strangulation); 609.2325
85.14 (criminal abuse of a vulnerable adult resulting in the death of a vulnerable adult); 609.245
85.15 (aggravated robbery); 609.25 (kidnapping); 609.255 (false imprisonment); 609.2661 (murder
85.16 of an unborn child in the first degree); 609.2662 (murder of an unborn child in the second
85.17 degree); 609.2663 (murder of an unborn child in the third degree); 609.2664 (manslaughter
85.18 of an unborn child in the first degree); 609.2665 (manslaughter of an unborn child in the
85.19 second degree); 609.267 (assault of an unborn child in the first degree); 609.2671 (assault
85.20 of an unborn child in the second degree); 609.268 (injury or death of an unborn child in the
85.21 commission of a crime); 609.322, subdivision 1 (solicitation, inducement, and promotion
85.22 of prostitution; sex trafficking in the first degree); 609.324, subdivision 1 (other prohibited
85.23 acts; engaging in, hiring, or agreeing to hire minor to engage in prostitution); 609.342
85.24 (criminal sexual conduct in the first degree); 609.343 (criminal sexual conduct in the second
85.25 degree); 609.344 (criminal sexual conduct in the third degree); 609.345 (criminal sexual
85.26 conduct in the fourth degree); 609.3451 (criminal sexual conduct in the fifth degree);
85.27 609.3453 (criminal sexual predatory conduct); 609.352 (solicitation of children to engage
85.28 in sexual conduct); 609.377 (malicious punishment of a child); 609.378 (neglect or
85.29 endangerment of a child); 609.561 (arson in the first degree); 609.582, subdivision 1 (burglary
85.30 in the first degree); 609.746 (interference with privacy); 617.23 (indecent exposure); 617.246
85.31 (use of minors in sexual performance prohibited); or 617.247 (possession of pictorial
85.32 representations of minors).

85.33 (b) Notwithstanding subdivisions 1 to 4, for the purposes of a background study affiliated
85.34 with a licensed family foster setting, an individual is disqualified under section 245C.14,
85.35 regardless of how much time has passed, if the individual:

86.1 (1) committed an action under paragraph (e) that resulted in death or involved sexual
86.2 abuse, as defined in section 260E.03, subdivision 20;

86.3 (2) committed an act that resulted in a gross misdemeanor-level conviction for section
86.4 609.3451 (criminal sexual conduct in the fifth degree);

86.5 (3) committed an act against or involving a minor that resulted in a felony-level conviction
86.6 for: section 609.222 (assault in the second degree); 609.223, subdivision 1 (assault in the
86.7 third degree); 609.2231 (assault in the fourth degree); or 609.224 (assault in the fifth degree);
86.8 or

86.9 (4) committed an act that resulted in a misdemeanor or gross misdemeanor-level
86.10 conviction for section 617.293 (dissemination and display of harmful materials to minors).

86.11 (c) Notwithstanding subdivisions 1 to 4, for a background study affiliated with a licensed
86.12 family foster setting, an individual is disqualified under section 245C.14 if fewer than 20
86.13 years have passed since the termination of the individual's parental rights under section
86.14 260C.301, subdivision 1, paragraph (b), or if the individual consented to a termination of
86.15 parental rights under section 260C.301, subdivision 1, paragraph (a), to settle a petition to
86.16 involuntarily terminate parental rights. An individual is disqualified under section 245C.14
86.17 if fewer than 20 years have passed since the termination of the individual's parental rights
86.18 in any other state or country, where the conditions for the individual's termination of parental
86.19 rights are substantially similar to the conditions in section 260C.301, subdivision 1, paragraph
86.20 (b).

86.21 (d) Notwithstanding subdivisions 1 to 4, for a background study affiliated with a licensed
86.22 family foster setting, an individual is disqualified under section 245C.14 if fewer than five
86.23 years have passed since a felony-level violation for sections: 152.021 (controlled substance
86.24 crime in the first degree); 152.022 (controlled substance crime in the second degree); 152.023
86.25 (controlled substance crime in the third degree); 152.024 (controlled substance crime in the
86.26 fourth degree); 152.025 (controlled substance crime in the fifth degree); 152.0261 (importing
86.27 controlled substances across state borders); 152.0262, subdivision 1, paragraph (b)
86.28 (possession of substance with intent to manufacture methamphetamine); 152.027, subdivision
86.29 6, paragraph (c) (sale or possession of synthetic cannabinoids); 152.096 (conspiracies
86.30 prohibited); 152.097 (simulated controlled substances); 152.136 (anhydrous ammonia;
86.31 prohibited conduct; criminal penalties; civil liabilities); 152.137 (methamphetamine-related
86.32 crimes involving children or vulnerable adults); 169A.24 (felony first-degree driving while
86.33 impaired); 243.166 (violation of predatory offender registration requirements); 609.2113
86.34 (criminal vehicular operation; bodily harm); 609.2114 (criminal vehicular operation; unborn

87.1 child); 609.228 (great bodily harm caused by distribution of drugs); 609.2325 (criminal
87.2 abuse of a vulnerable adult not resulting in the death of a vulnerable adult); 609.233 (criminal
87.3 neglect); 609.235 (use of drugs to injure or facilitate a crime); 609.24 (simple robbery);
87.4 609.322, subdivision 1a (solicitation, inducement, and promotion of prostitution; sex
87.5 trafficking in the second degree); 609.498, subdivision 1 (tampering with a witness in the
87.6 first degree); 609.498, subdivision 1b (aggravated first-degree witness tampering); 609.562
87.7 (arson in the second degree); 609.563 (arson in the third degree); 609.582, subdivision 2
87.8 (burglary in the second degree); 609.66 (felony dangerous weapons); 609.687 (adulteration);
87.9 609.713 (terroristic threats); 609.749, subdivision 3, 4, or 5 (felony-level harassment or
87.10 stalking); 609.855, subdivision 5 (shooting at or in a public transit vehicle or facility); or
87.11 624.713 (certain people not to possess firearms).

87.12 (e) Notwithstanding subdivisions 1 to 4, except as provided in paragraph (a), for a
87.13 background study affiliated with a licensed family child foster care license, an individual
87.14 is disqualified under section 245C.14 if fewer than five years have passed since:

87.15 (1) a felony-level violation for an act not against or involving a minor that constitutes:
87.16 section 609.222 (assault in the second degree); 609.223, subdivision 1 (assault in the third
87.17 degree); 609.2231 (assault in the fourth degree); or 609.224, subdivision 4 (assault in the
87.18 fifth degree);

87.19 (2) a violation of an order for protection under section 518B.01, subdivision 14;

87.20 (3) a determination or disposition of the individual's failure to make required reports
87.21 under section 260E.06 or 626.557, subdivision 3, for incidents in which the final disposition
87.22 under chapter 260E or section 626.557 was substantiated maltreatment and the maltreatment
87.23 was recurring or serious;

87.24 (4) a determination or disposition of the individual's substantiated serious or recurring
87.25 maltreatment of a minor under chapter 260E, a vulnerable adult under section 626.557, or
87.26 serious or recurring maltreatment in any other state, the elements of which are substantially
87.27 similar to the elements of maltreatment under chapter 260E or section 626.557 and meet
87.28 the definition of serious maltreatment or recurring maltreatment;

87.29 (5) a gross misdemeanor-level violation for sections: 609.224, subdivision 2 (assault in
87.30 the fifth degree); 609.2242 and 609.2243 (domestic assault); 609.233 (criminal neglect);
87.31 609.377 (malicious punishment of a child); 609.378 (neglect or endangerment of a child);
87.32 609.746 (interference with privacy); 609.749 (stalking); or 617.23 (indecent exposure); or

87.33 (6) committing an act against or involving a minor that resulted in a misdemeanor-level
87.34 violation of section 609.224, subdivision 1 (assault in the fifth degree).

88.1 (f) For purposes of this subdivision, the disqualification begins from:

88.2 (1) the date of the alleged violation, if the individual was not convicted;

88.3 (2) the date of conviction, if the individual was convicted of the violation but not
 88.4 committed to the custody of the commissioner of corrections; or

88.5 (3) the date of release from prison, if the individual was convicted of the violation and
 88.6 committed to the custody of the commissioner of corrections.

88.7 Notwithstanding clause (3), if the individual is subsequently reincarcerated for a violation
 88.8 of the individual's supervised release, the disqualification begins from the date of release
 88.9 from the subsequent incarceration.

88.10 (g) An individual's aiding and abetting, attempt, or conspiracy to commit any of the
 88.11 offenses listed in paragraphs (a) and (b), as each of these offenses is defined in Minnesota
 88.12 Statutes, permanently disqualifies the individual under section 245C.14. An individual is
 88.13 disqualified under section 245C.14 if fewer than five years have passed since the individual's
 88.14 aiding and abetting, attempt, or conspiracy to commit any of the offenses listed in paragraphs
 88.15 (d) and (e).

88.16 (h) An individual's offense in any other state or country, where the elements of the
 88.17 offense are substantially similar to any of the offenses listed in paragraphs (a) and (b),
 88.18 permanently disqualifies the individual under section 245C.14. An individual is disqualified
 88.19 under section 245C.14 if fewer than five years have passed since an offense in any other
 88.20 state or country, the elements of which are substantially similar to the elements of any
 88.21 offense listed in paragraphs (d) and (e).

88.22 **EFFECTIVE DATE.** This section is effective July 1, 2022.

88.23 Sec. 56. Minnesota Statutes 2020, section 245C.16, subdivision 1, is amended to read:

88.24 Subdivision 1. **Determining immediate risk of harm.** (a) If the commissioner determines
 88.25 that the individual studied has a disqualifying characteristic, the commissioner shall review
 88.26 the information immediately available and make a determination as to the subject's immediate
 88.27 risk of harm to persons served by the program where the individual studied will have direct
 88.28 contact with, or access to, people receiving services.

88.29 (b) The commissioner shall consider all relevant information available, including the
 88.30 following factors in determining the immediate risk of harm:

88.31 (1) the recency of the disqualifying characteristic;

88.32 (2) the recency of discharge from probation for the crimes;

- 89.1 (3) the number of disqualifying characteristics;
- 89.2 (4) the intrusiveness or violence of the disqualifying characteristic;
- 89.3 (5) the vulnerability of the victim involved in the disqualifying characteristic;
- 89.4 (6) the similarity of the victim to the persons served by the program where the individual
89.5 studied will have direct contact;
- 89.6 (7) whether the individual has a disqualification from a previous background study that
89.7 has not been set aside; ~~and~~
- 89.8 (8) if the individual has a disqualification which may not be set aside because it is a
89.9 permanent bar under section 245C.24, subdivision 1, or the individual is a child care
89.10 background study subject who has a felony-level conviction for a drug-related offense in
89.11 the last five years, the commissioner may order the immediate removal of the individual
89.12 from any position allowing direct contact with, or access to, persons receiving services from
89.13 the program and from working in a children's residential facility or foster residence setting;
89.14 and
- 89.15 (9) if the individual has a disqualification which may not be set aside because it is a
89.16 permanent bar under section 245C.24, subdivision 2, or the individual is a child care
89.17 background study subject who has a felony-level conviction for a drug-related offense during
89.18 the last five years, the commissioner may order the immediate removal of the individual
89.19 from any position allowing direct contact with or access to persons receiving services from
89.20 the center and from working in a licensed child care center or certified license-exempt child
89.21 care center.
- 89.22 (c) This section does not apply when the subject of a background study is regulated by
89.23 a health-related licensing board as defined in chapter 214, and the subject is determined to
89.24 be responsible for substantiated maltreatment under section 626.557 or chapter 260E.
- 89.25 (d) This section does not apply to a background study related to an initial application
89.26 for a child foster family setting license.
- 89.27 (e) Except for paragraph (f), this section does not apply to a background study that is
89.28 also subject to the requirements under section 256B.0659, subdivisions 11 and 13, for a
89.29 personal care assistant or a qualified professional as defined in section 256B.0659,
89.30 subdivision 1.
- 89.31 (f) If the commissioner has reason to believe, based on arrest information or an active
89.32 maltreatment investigation, that an individual poses an imminent risk of harm to persons
89.33 receiving services, the commissioner may order that the person be continuously supervised

90.1 or immediately removed pending the conclusion of the maltreatment investigation or criminal
 90.2 proceedings.

90.3 Sec. 57. Minnesota Statutes 2020, section 245C.16, subdivision 2, is amended to read:

90.4 Subd. 2. **Findings.** (a) After evaluating the information immediately available under
 90.5 subdivision 1, the commissioner may have reason to believe one of the following:

90.6 (1) the individual poses an imminent risk of harm to persons served by the program
 90.7 where the individual studied will have direct contact or access to persons served by the
 90.8 program or where the individual studied will work;

90.9 (2) the individual poses a risk of harm requiring continuous, direct supervision while
 90.10 providing direct contact services during the period in which the subject may request a
 90.11 reconsideration; or

90.12 (3) the individual does not pose an imminent risk of harm or a risk of harm requiring
 90.13 continuous, direct supervision while providing direct contact services during the period in
 90.14 which the subject may request a reconsideration.

90.15 (b) After determining an individual's risk of harm under this section, the commissioner
 90.16 must notify the subject of the background study and the applicant or license holder as
 90.17 required under section 245C.17.

90.18 (c) For Title IV-E eligible children's residential facilities and foster residence settings,
 90.19 the commissioner is prohibited from making the findings in paragraph (a), clause (2) or (3).

90.20 (d) For licensed child care centers or certified license-exempt child care centers, the
 90.21 commissioner is prohibited from making the findings in paragraph (a), clause (2) or (3).

90.22 Sec. 58. Minnesota Statutes 2020, section 245C.17, subdivision 1, is amended to read:

90.23 Subdivision 1. **Time frame for notice of study results and auditing system access.** (a)
 90.24 Within three working days after the commissioner's receipt of a request for a background
 90.25 study submitted through the commissioner's NETStudy or NETStudy 2.0 system, the
 90.26 commissioner shall notify the background study subject and the license holder or other
 90.27 entity as provided in this chapter in writing or by electronic transmission of the results of
 90.28 the study or that more time is needed to complete the study. The notice to the individual
 90.29 shall include the identity of the entity that initiated the background study.

90.30 (b) Before being provided access to NETStudy 2.0, the license holder or other entity
 90.31 under section 245C.04 shall sign an acknowledgment of responsibilities form developed

91.1 by the commissioner that includes identifying the sensitive background study information
 91.2 person, who must be an employee of the license holder or entity. All queries to NETStudy
 91.3 2.0 are electronically recorded and subject to audit by the commissioner. The electronic
 91.4 record shall identify the specific user. A background study subject may request in writing
 91.5 to the commissioner a report listing the entities that initiated a background study on the
 91.6 individual.

91.7 (c) When the commissioner has completed a prior background study on an individual
 91.8 that resulted in an order for immediate removal and more time is necessary to complete a
 91.9 subsequent study, the notice that more time is needed that is issued under paragraph (a)
 91.10 shall include an order for immediate removal of the individual from any position allowing
 91.11 direct contact with or access to people receiving services and from working in a children's
 91.12 residential facility ~~or~~, foster residence setting, child care center, or certified license-exempt
 91.13 child care center pending completion of the background study.

91.14 Sec. 59. Minnesota Statutes 2020, section 245C.17, is amended by adding a subdivision
 91.15 to read:

91.16 Subd. 8. Disqualification notice to child care centers and certified license-exempt
 91.17 child care centers. (a) For child care centers and certified license-exempt child care centers,
 91.18 all notices under this section that order the license holder to immediately remove the
 91.19 individual studied from any position allowing direct contact with, or access to a person
 91.20 served by the center, must also order the license holder to immediately remove the individual
 91.21 studied from working in any position regardless of whether the individual would have direct
 91.22 contact with or access to children served in the center.

91.23 (b) For child care centers and certified license-exempt child care centers, notices under
 91.24 this section must not allow an individual to work in the center.

91.25 Sec. 60. Minnesota Statutes 2020, section 245C.18, is amended to read:

91.26 **245C.18 OBLIGATION TO REMOVE DISQUALIFIED INDIVIDUAL FROM**
 91.27 **DIRECT CONTACT AND FROM WORKING IN A PROGRAM, FACILITY, ~~OR~~**
 91.28 **SETTING, OR CENTER.**

91.29 (a) Upon receipt of notice from the commissioner, the license holder must remove a
 91.30 disqualified individual from direct contact with persons served by the licensed program if:

91.31 (1) the individual does not request reconsideration under section 245C.21 within the
 91.32 prescribed time;

92.1 (2) the individual submits a timely request for reconsideration, the commissioner does
 92.2 not set aside the disqualification under section 245C.22, subdivision 4, and the individual
 92.3 does not submit a timely request for a hearing under sections 245C.27 and 256.045, or
 92.4 245C.28 and chapter 14; or

92.5 (3) the individual submits a timely request for a hearing under sections 245C.27 and
 92.6 256.045, or 245C.28 and chapter 14, and the commissioner does not set aside or rescind the
 92.7 disqualification under section 245A.08, subdivision 5, or 256.045.

92.8 (b) For children's residential facility and foster residence setting license holders, upon
 92.9 receipt of notice from the commissioner under paragraph (a), the license holder must also
 92.10 remove the disqualified individual from working in the program, facility, or setting and
 92.11 from access to persons served by the licensed program.

92.12 (c) For Title IV-E eligible children's residential facility and foster residence setting
 92.13 license holders, upon receipt of notice from the commissioner under paragraph (a), the
 92.14 license holder must also remove the disqualified individual from working in the program
 92.15 and from access to persons served by the program and must not allow the individual to work
 92.16 in the facility or setting until the commissioner has issued a notice stating that:

92.17 (1) the individual is not disqualified;

92.18 (2) a disqualification has been set aside under section 245C.23; or

92.19 (3) a variance has been granted related to the individual under section 245C.30.

92.20 (d) For licensed child care center and certified license-exempt child care center license
 92.21 holders, upon receipt of notice from the commissioner under paragraph (a), the license
 92.22 holder must remove the disqualified individual from working in any position regardless of
 92.23 whether the individual would have direct contact with or access to children served in the
 92.24 center and from having access to persons served by the center and must not allow the
 92.25 individual to work in the center until the commissioner has issued a notice stating that:

92.26 (1) the individual is not disqualified;

92.27 (2) a disqualification has been set aside under section 245C.23; or

92.28 (3) a variance has been granted related to the individual under section 245C.30.

92.29 Sec. 61. Minnesota Statutes 2020, section 245C.24, subdivision 2, is amended to read:

92.30 Subd. 2. **Permanent bar to set aside a disqualification.** (a) Except as provided in
 92.31 paragraphs (b) to ~~(e)~~ (f), the commissioner may not set aside the disqualification of any
 92.32 individual disqualified pursuant to this chapter, regardless of how much time has passed,

93.1 if the individual was disqualified for a crime or conduct listed in section 245C.15, subdivision
93.2 1.

93.3 (b) For an individual in the chemical dependency or corrections field who was disqualified
93.4 for a crime or conduct listed under section 245C.15, subdivision 1, and whose disqualification
93.5 was set aside prior to July 1, 2005, the commissioner must consider granting a variance
93.6 pursuant to section 245C.30 for the license holder for a program dealing primarily with
93.7 adults. A request for reconsideration evaluated under this paragraph must include a letter
93.8 of recommendation from the license holder that was subject to the prior set-aside decision
93.9 addressing the individual's quality of care to children or vulnerable adults and the
93.10 circumstances of the individual's departure from that service.

93.11 (c) If an individual who requires a background study for nonemergency medical
93.12 transportation services under section 245C.03, subdivision 12, was disqualified for a crime
93.13 or conduct listed under section 245C.15, subdivision 1, and if more than 40 years have
93.14 passed since the discharge of the sentence imposed, the commissioner may consider granting
93.15 a set-aside pursuant to section 245C.22. A request for reconsideration evaluated under this
93.16 paragraph must include a letter of recommendation from the employer. This paragraph does
93.17 not apply to a person disqualified based on a violation of sections 243.166; 609.185 to
93.18 609.205; 609.25; 609.342 to 609.3453; 609.352; 617.23, subdivision 2, clause (1), or 3,
93.19 clause (1); 617.246; or 617.247.

93.20 (d) When a licensed foster care provider adopts an individual who had received foster
93.21 care services from the provider for over six months, and the adopted individual is required
93.22 to receive a background study under section 245C.03, subdivision 1, paragraph (a), clause
93.23 (2) or (6), the commissioner may grant a variance to the license holder under section 245C.30
93.24 to permit the adopted individual with a permanent disqualification to remain affiliated with
93.25 the license holder under the conditions of the variance when the variance is recommended
93.26 by the county of responsibility for each of the remaining individuals in placement in the
93.27 home and the licensing agency for the home.

93.28 (e) For an individual 18 years of age or older affiliated with a licensed family foster
93.29 setting, the commissioner must not set aside or grant a variance for the disqualification of
93.30 any individual disqualified pursuant to this chapter, regardless of how much time has passed,
93.31 if the individual was disqualified for a crime or conduct listed in section 245C.15, subdivision
93.32 4a, paragraphs (a) and (b).

94.1 (f) In connection with a family foster setting license, the commissioner may grant a
 94.2 variance to the disqualification for an individual who is under 18 years of age at the time
 94.3 the background study is submitted.

94.4 **EFFECTIVE DATE.** This section is effective July 1, 2022.

94.5 Sec. 62. Minnesota Statutes 2020, section 245C.24, subdivision 3, is amended to read:

94.6 Subd. 3. **Ten-year bar to set aside disqualification.** (a) The commissioner may not set
 94.7 aside the disqualification of an individual in connection with a license to provide family
 94.8 child care for children, ~~foster care for children in the provider's home~~, or foster care or day
 94.9 care services for adults in the provider's home if: (1) less than ten years has passed since
 94.10 the discharge of the sentence imposed, if any, for the offense; or (2) when disqualified based
 94.11 on a preponderance of evidence determination under section 245C.14, subdivision 1,
 94.12 paragraph (a), clause (2), or an admission under section 245C.14, subdivision 1, paragraph
 94.13 (a), clause (1), and less than ten years has passed since the individual committed the act or
 94.14 admitted to committing the act, whichever is later; and (3) the individual has committed a
 94.15 violation of any of the following offenses: sections 609.165 (felon ineligible to possess
 94.16 firearm); criminal vehicular homicide or criminal vehicular operation causing death under
 94.17 609.2112, 609.2113, or 609.2114 (criminal vehicular homicide or injury); 609.215 (aiding
 94.18 suicide or aiding attempted suicide); felony violations under 609.223 or 609.2231 (assault
 94.19 in the third or fourth degree); 609.229 (crimes committed for benefit of a gang); 609.713
 94.20 (terroristic threats); 609.235 (use of drugs to injure or to facilitate crime); 609.24 (simple
 94.21 robbery); 609.255 (false imprisonment); 609.562 (arson in the second degree); 609.71 (riot);
 94.22 609.498, subdivision 1 or 1b (aggravated first-degree or first-degree tampering with a
 94.23 witness); burglary in the first or second degree under 609.582 (burglary); 609.66 (dangerous
 94.24 weapon); 609.665 (spring guns); 609.67 (machine guns and short-barreled shotguns);
 94.25 609.749, subdivision 2 (gross misdemeanor harassment); 152.021 or 152.022 (controlled
 94.26 substance crime in the first or second degree); 152.023, subdivision 1, clause (3) or (4) or
 94.27 subdivision 2, clause (4) (controlled substance crime in the third degree); 152.024,
 94.28 subdivision 1, clause (2), (3), or (4) (controlled substance crime in the fourth degree);
 94.29 609.224, subdivision 2, paragraph (c) (fifth-degree assault by a caregiver against a vulnerable
 94.30 adult); 609.23 (mistreatment of persons confined); 609.231 (mistreatment of residents or
 94.31 patients); 609.2325 (criminal abuse of a vulnerable adult); 609.233 (criminal neglect of a
 94.32 vulnerable adult); 609.2335 (financial exploitation of a vulnerable adult); 609.234 (failure
 94.33 to report); 609.265 (abduction); 609.2664 to 609.2665 (manslaughter of an unborn child in
 94.34 the first or second degree); 609.267 to 609.2672 (assault of an unborn child in the first,
 94.35 second, or third degree); 609.268 (injury or death of an unborn child in the commission of

95.1 a crime); repeat offenses under 617.23 (indecent exposure); 617.293 (disseminating or
 95.2 displaying harmful material to minors); a felony-level conviction involving alcohol or drug
 95.3 use, a gross misdemeanor offense under 609.324, subdivision 1 (other prohibited acts); a
 95.4 gross misdemeanor offense under 609.378 (neglect or endangerment of a child); a gross
 95.5 misdemeanor offense under 609.377 (malicious punishment of a child); 609.72, subdivision
 95.6 3 (disorderly conduct against a vulnerable adult); or 624.713 (certain persons not to possess
 95.7 firearms); or Minnesota Statutes 2012, section 609.21.

95.8 (b) The commissioner may not set aside the disqualification of an individual if less than
 95.9 ten years have passed since the individual's aiding and abetting, attempt, or conspiracy to
 95.10 commit any of the offenses listed in paragraph (a) as each of these offenses is defined in
 95.11 Minnesota Statutes.

95.12 (c) The commissioner may not set aside the disqualification of an individual if less than
 95.13 ten years have passed since the discharge of the sentence imposed for an offense in any
 95.14 other state or country, the elements of which are substantially similar to the elements of any
 95.15 of the offenses listed in paragraph (a).

95.16 **EFFECTIVE DATE.** This section is effective July 1, 2022.

95.17 Sec. 63. Minnesota Statutes 2020, section 245C.24, subdivision 4, is amended to read:

95.18 Subd. 4. **Seven-year bar to set aside disqualification.** The commissioner may not set
 95.19 aside the disqualification of an individual in connection with a license to provide family
 95.20 child care for children, ~~foster care for children in the provider's home,~~ or foster care or day
 95.21 care services for adults in the provider's home if within seven years preceding the study:

95.22 (1) the individual committed an act that constitutes maltreatment of a child under sections
 95.23 260E.24, subdivisions 1, 2, and 3, and 260E.30, subdivisions 1, 2, and 4, and the maltreatment
 95.24 resulted in substantial bodily harm as defined in section 609.02, subdivision 7a, or substantial
 95.25 mental or emotional harm as supported by competent psychological or psychiatric evidence;
 95.26 or

95.27 (2) the individual was determined under section 626.557 to be the perpetrator of a
 95.28 substantiated incident of maltreatment of a vulnerable adult that resulted in substantial
 95.29 bodily harm as defined in section 609.02, subdivision 7a, or substantial mental or emotional
 95.30 harm as supported by competent psychological or psychiatric evidence.

95.31 **EFFECTIVE DATE.** This section is effective July 1, 2022.

96.1 Sec. 64. Minnesota Statutes 2020, section 245C.24, is amended by adding a subdivision
96.2 to read:

96.3 Subd. 6. **Five-year bar to set aside disqualification; family foster setting.** (a) The
96.4 commissioner shall not set aside or grant a variance for the disqualification of an individual
96.5 18 years of age or older in connection with a foster family setting license if within five years
96.6 preceding the study the individual is convicted of a felony in section 245C.15, subdivision
96.7 4a, paragraph (d).

96.8 (b) In connection with a foster family setting license, the commissioner may set aside
96.9 or grant a variance to the disqualification for an individual who is under 18 years of age at
96.10 the time the background study is submitted.

96.11 **EFFECTIVE DATE.** This section is effective July 1, 2022.

96.12 Sec. 65. Minnesota Statutes 2020, section 245C.30, is amended by adding a subdivision
96.13 to read:

96.14 Subd. 1a. **Public law background study variances.** For a variance related to a public
96.15 law background study conducted under section 245C.032, the variance shall state the services
96.16 that may be provided by the disqualified individual and state the conditions with which the
96.17 license holder or applicant must comply for the variance to remain in effect. The variance
96.18 shall not state the reason for the disqualification.

96.19 Sec. 66. Minnesota Statutes 2020, section 245C.32, subdivision 1a, is amended to read:

96.20 Subd. 1a. **NETStudy 2.0 system.** (a) The commissioner shall design, develop, and test
96.21 the NETStudy 2.0 system and implement it no later than September 1, 2015.

96.22 (b) The NETStudy 2.0 system developed and implemented by the commissioner shall
96.23 incorporate and meet all applicable data security standards and policies required by the
96.24 Federal Bureau of Investigation (FBI), Department of Public Safety, Bureau of Criminal
96.25 Apprehension, and the Office of MN.IT Services. The system shall meet all required
96.26 standards for encryption of data at the database level as well as encryption of data that
96.27 travels electronically among agencies initiating background studies, the commissioner's
96.28 authorized fingerprint collection vendor or vendors, the commissioner, the Bureau of Criminal
96.29 Apprehension, and in cases involving national criminal record checks, the FBI.

96.30 (c) The data system developed and implemented by the commissioner shall incorporate
96.31 a system of data security that allows the commissioner to control access to the data field
96.32 level by the commissioner's employees. The commissioner shall establish that employees

97.1 have access to the minimum amount of private data on any individual as is necessary to
 97.2 perform their duties under this chapter.

97.3 (d) The commissioner shall oversee regular quality and compliance audits of the
 97.4 authorized fingerprint collection vendor or vendors.

97.5 Sec. 67. Minnesota Statutes 2020, section 245C.32, subdivision 2, is amended to read:

97.6 Subd. 2. **Use.** (a) The commissioner may also use these systems and records to obtain
 97.7 and provide criminal history data from the Bureau of Criminal Apprehension, criminal
 97.8 history data held by the commissioner, and data about substantiated maltreatment under
 97.9 section 626.557 or chapter 260E, for other purposes, provided that:

97.10 (1) the background study is specifically authorized in statute; or

97.11 (2) the request is made with the informed consent of the subject of the study as provided
 97.12 in section 13.05, subdivision 4.

97.13 (b) An individual making a request under paragraph (a), clause (2), must agree in writing
 97.14 not to disclose the data to any other individual without the consent of the subject of the data.

97.15 (c) The commissioner may recover the cost of obtaining and providing background study
 97.16 data by charging the individual or entity requesting the study a fee of no more than ~~\$20~~ \$42
 97.17 per study. The fees collected under this paragraph are appropriated to the commissioner for
 97.18 the purpose of conducting background studies.

97.19 Sec. 45. **[245G.031] ALTERNATIVE LICENSING INSPECTIONS.**

97.20 Subdivision 1. Eligibility for an alternative licensing inspection. (a) A license holder
 97.21 who holds a qualifying accreditation may request approval for an alternative licensing
 97.22 inspection by the commissioner when the standards of the accrediting body are determined
 97.23 by the commissioner to be the same as or similar to the standards set forth in this chapter.
 97.24 Programs licensed according to section 245G.19 to serve clients with children and opioid
 97.25 treatment programs licensed according to section 245G.22 are not eligible for an alternative
 97.26 licensing inspection.

97.27 (b) A license holder may request an alternative licensing inspection after the license
 97.28 holder has had at least one inspection by the commissioner that included a review of all
 97.29 applicable requirements in this chapter after issuance of the initial license.

98.1 (c) To be eligible for an alternative licensing inspection, the license holder must be in
98.2 substantial and consistent compliance at the time of the request. For purposes of this section,
98.3 "substantial and consistent compliance" means:

98.4 (1) the license holder has not had a license made conditional, suspended, or revoked
98.5 within the last five years;

98.6 (2) there have been no substantiated allegations of maltreatment for which the facility
98.7 was determined responsible within the past five years; and

98.8 (3) the license holder has corrected all violations and submitted required documentation
98.9 as specified in the correction orders issued within the past two years.

98.10 Subd. 2. **Qualifying accreditation; determination of same and similar standards.** (a)
98.11 The commissioner must accept a qualifying accreditation from an accrediting body listed
98.12 in paragraph (c) after determining, in consultation with the accrediting body and license
98.13 holders, that the accrediting body's standards are the same as or similar to the licensing
98.14 requirements in this chapter. In determining whether standards of an accrediting body are
98.15 the same as or similar to licensing requirements under this chapter, the commissioner shall
98.16 give due consideration to the existence of a standard that aligns in whole or in part to a
98.17 licensing standard.

98.18 (b) Upon request by a license holder, the commissioner may allow the accrediting body
98.19 to monitor for compliance with licensing requirements under this chapter that are determined
98.20 to be neither the same as nor similar to those of the accrediting body.

98.21 (c) For purposes of this section, "accrediting body" means the joint commission.

98.22 (d) Qualifying accreditation only applies to the license holder's licensed programs that
98.23 are included in the accrediting body's survey during each survey period.

98.24 Subd. 3. **Request for approval of an alternative licensing inspection status.** (a) A
98.25 license holder may request an alternative licensing inspection on the forms and in the manner
98.26 prescribed by the commissioner. When submitting the request, the license holder must
98.27 submit all documentation issued by the accrediting body verifying that the license holder
98.28 has obtained and maintained the qualifying accreditation and has complied with
98.29 recommendations or requirements from the accrediting body during the period of
98.30 accreditation. Prior to approving an alternative licensing inspection under this section, the
98.31 commissioner must have reviewed and approved the license holder's policies and procedures
98.32 required to demonstrate compliance with all applicable requirements in this chapter.

99.1 (b) The commissioner must notify the license holder in writing within 90 days whether
99.2 the request for an alternative licensing inspection status has been approved.

99.3 **Subd. 4. Programs approved for alternative licensing inspection; licensing**
99.4 **requirements.** (a) A license holder approved for alternative licensing inspection under this
99.5 section is required to maintain compliance with all licensing standards according to this
99.6 chapter.

99.7 (b) After approval, the license holder must submit to the commissioner changes to
99.8 policies required as a result of legislative changes to this chapter.

99.9 (c) The commissioner may conduct licensing inspections of requirements that are not
99.10 already covered by the accrediting body, as determined under subdivision 2, paragraphs (a)
99.11 and (b), including applicable requirements in chapters 245A and 245C, and Minnesota
99.12 Rules, chapter 9544.

99.13 (d) The commissioner may conduct routine licensing inspections every five years of all
99.14 applicable requirements in this chapter, chapters 245A and 245C, and Minnesota Rules,
99.15 chapter 9544.

99.16 (e) Within ten days of final approval of a corrective action plan by the accrediting body,
99.17 if any, or if no corrections, upon receipt of the final report by the accrediting body, the
99.18 license holder must mail or e-mail to the commissioner the complete contents of all survey
99.19 results and corrective responses.

99.20 (f) If the accrediting body determines the scope of noncompliance of a standard with a
99.21 pattern or widespread moderate likelihood to harm a client or any high likelihood to harm
99.22 a client, the commissioner may conduct an inspection.

99.23 (g) If the accrediting body does not subject a licensed location to a survey by the
99.24 accrediting body, the license holder must inform the commissioner and the commissioner
99.25 may conduct an inspection of that location.

99.26 (h) Upon receipt of a complaint or report regarding the services of a license holder
99.27 approved for alternative licensing inspection under this section, the commissioner may
99.28 investigate the complaint or report and may take any action as provided under section
99.29 245A.06 or 245A.07.

99.30 (i) The license holder must notify the commissioner in a timely manner if the license
99.31 holder no longer holds a qualifying accreditation from an accrediting body.

100.1 Subd. 5. **Investigations of alleged or suspected maltreatment.** Nothing in this section
 100.2 changes the commissioner's responsibilities to investigate alleged or suspected maltreatment
 100.3 of a minor under chapter 260E or a vulnerable adult under section 626.557.

100.4 Subd. 6. **Termination or denial of subsequent approval.** The commissioner may
 100.5 terminate the approval of an alternative licensing inspection if after approval:

100.6 (1) the commissioner determines that the license holder has not maintained the qualifying
 100.7 accreditation;

100.8 (2) the license holder fails to provide the commissioner with documentation that
 100.9 demonstrates the license holder has complied with accreditation standards;

100.10 (3) the commissioner substantiates maltreatment for which the license holder or facility
 100.11 is determined to be responsible; or

100.12 (4) the license holder is issued an order for conditional license, fine, suspension, or
 100.13 license revocation that has not been reversed upon appeal.

100.14 Subd. 7. **Appeals.** The commissioner's decision that the conditions for approval for an
 100.15 alternative licensing inspection have not been met is final and not subject to appeal under
 100.16 the provisions of chapter 14.

100.17 **EFFECTIVE DATE.** This section is effective January 1, 2022.

100.18 Sec. 68. Minnesota Statutes 2020, section 256B.0949, is amended by adding a subdivision
 100.19 to read:

100.20 Subd. 16a. **Background studies.** An early intensive developmental and behavioral
 100.21 intervention services agency must fulfill any background studies requirements under this
 100.22 section by initiating a background study through the commissioner's NETStudy system as
 100.23 provided under sections 245C.03, subdivision 15, and 245C.10, subdivision 17.

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

100.25 Sec. 69. Minnesota Statutes 2020, section 260C.215, subdivision 4, is amended to read:

100.26 Subd. 4. **Duties of commissioner.** The commissioner of human services shall:

100.27 (1) provide practice guidance to responsible social services agencies and licensed
 100.28 child-placing agencies that reflect federal and state laws and policy direction on placement
 100.29 of children;

101.1 (2) develop criteria for determining whether a prospective adoptive or foster family has
101.2 the ability to understand and validate the child's cultural background;

101.3 (3) provide a standardized training curriculum for adoption and foster care workers and
101.4 administrators who work with children. Training must address the following objectives:

101.5 (i) developing and maintaining sensitivity to all cultures;

101.6 (ii) assessing values and their cultural implications;

101.7 (iii) making individualized placement decisions that advance the best interests of a
101.8 particular child under section 260C.212, subdivision 2; and

101.9 (iv) issues related to cross-cultural placement;

101.10 (4) provide a training curriculum for all prospective adoptive and foster families that
101.11 prepares them to care for the needs of adoptive and foster children taking into consideration
101.12 the needs of children outlined in section 260C.212, subdivision 2, paragraph (b), and, as
101.13 necessary, preparation is continued after placement of the child and includes the knowledge
101.14 and skills related to reasonable and prudent parenting standards for the participation of the
101.15 child in age or developmentally appropriate activities, according to section 260C.212,
101.16 subdivision 14;

101.17 (5) develop and provide to responsible social services agencies and licensed child-placing
101.18 agencies a home study format to assess the capacities and needs of prospective adoptive
101.19 and foster families. The format must address problem-solving skills; parenting skills; evaluate
101.20 the degree to which the prospective family has the ability to understand and validate the
101.21 child's cultural background, and other issues needed to provide sufficient information for
101.22 agencies to make an individualized placement decision consistent with section 260C.212,
101.23 subdivision 2. For a study of a prospective foster parent, the format must also address the
101.24 capacity of the prospective foster parent to provide a safe, healthy, smoke-free home
101.25 environment. If a prospective adoptive parent has also been a foster parent, any update
101.26 necessary to a home study for the purpose of adoption may be completed by the licensing
101.27 authority responsible for the foster parent's license. If a prospective adoptive parent with
101.28 an approved adoptive home study also applies for a foster care license, the license application
101.29 may be made with the same agency which provided the adoptive home study; ~~and~~

101.30 (6) consult with representatives reflecting diverse populations from the councils
101.31 established under sections 3.922 and 15.0145, and other state, local, and community
101.32 organizations; and

102.1 (7) establish family foster setting licensing guidelines for county agencies and private
 102.2 agencies designated or licensed by the commissioner to perform licensing functions and
 102.3 activities under section 245A.04. Guidelines that the commissioner establishes under this
 102.4 clause shall be considered directives of the commissioner under section 245A.16.

102.5 **EFFECTIVE DATE.** This section is effective July 1, 2023.

102.6 Sec. 70. Laws 2020, First Special Session chapter 7, section 1, subdivision 1, is amended
 102.7 to read:

102.8 Subdivision 1. **Waivers and modifications; federal funding extension.** When the
 102.9 peacetime emergency declared by the governor in response to the COVID-19 outbreak
 102.10 expires, is terminated, or is rescinded by the proper authority, the following waivers and
 102.11 modifications to human services programs issued by the commissioner of human services
 102.12 pursuant to Executive Orders 20-11 and 20-12 that are required to comply with federal law
 102.13 may remain in effect for the time period set out in applicable federal law or for the time
 102.14 period set out in any applicable federally approved waiver or state plan amendment,
 102.15 whichever is later:

102.16 (1) CV15: allowing telephone or video visits for waiver programs;

102.17 (2) CV17: preserving health care coverage for Medical Assistance and MinnesotaCare;

102.18 ~~(2)~~(3) CV18: implementation of federal changes to the Supplemental Nutrition Assistance
 102.19 Program;

102.20 ~~(3)~~(4) CV20: eliminating cost-sharing for COVID-19 diagnosis and treatment;

102.21 ~~(4)~~(5) CV24: allowing telephone or video use for targeted case management visits;

102.22 (6) CV30: expanding telemedicine in health care, mental health, and substance use
 102.23 disorder settings;

102.24 (7) CV37: implementation of federal changes to the Supplemental Nutrition Assistance
 102.25 Program;

102.26 ~~(5)~~(8) CV39: implementation of federal changes to the Supplemental Nutrition Assistance
 102.27 Program;

102.28 ~~(6)~~(9) CV42: implementation of federal changes to the Supplemental Nutrition Assistance
 102.29 Program;

102.30 (10) CV43: expanding remote home and community-based waiver services;

102.31 (11) CV44: allowing remote delivery of adult day services;

103.1 (12) CV59: modifying eligibility period for the federally funded Refugee Cash Assistance
 103.2 Program; and

103.3 ~~(7)~~ (13) CV60: modifying eligibility period for the federally funded Refugee Social
 103.4 Services Program; and

103.5 (14) CV109: providing 15 percent increase for Minnesota Food Assistance Program and
 103.6 Minnesota Family Investment Program maximum food benefits.

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

103.8 Sec. 71. Laws 2020, First Special Session chapter 7, section 1, subdivision 3, is amended
 103.9 to read:

103.10 Subd. 3. **Waivers and modifications; 60-day transition period.** When the peacetime
 103.11 emergency declared by the governor in response to the COVID-19 outbreak expires, is
 103.12 terminated, or is rescinded by the proper authority, all waivers or modifications issued by
 103.13 the commissioner of human services in response to the COVID-19 outbreak that have not
 103.14 been otherwise extended as provided in ~~subdivisions 1, 2, and 4~~ of this section may remain
 103.15 in effect for no more than 60 days, only for purposes of transitioning affected programs
 103.16 back to operating without the waivers or modifications in place.

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

103.18 Sec. 72. Laws 2020, First Special Session chapter 7, section 1, as amended by Laws 2020,
 103.19 Third Special Session chapter 1, section 3, is amended by adding a subdivision to read:

103.20 **Subd. 5. Waivers and modifications; extension for 365 days.** When the peacetime
 103.21 emergency declared by the governor in response to the COVID-19 outbreak expires, is
 103.22 terminated, or is rescinded by the proper authority, waiver CV23: modifying background
 103.23 study requirements, issued by the commissioner of human services pursuant to Executive
 103.24 Orders 20-11 and 20-12, including any amendments to the modification issued before the
 103.25 peacetime emergency expires, shall remain in effect for 365 days after the peacetime
 103.26 emergency ends.

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

104.1 **Sec. 73. LEGISLATIVE TASK FORCE; HUMAN SERVICES BACKGROUND**
104.2 **STUDY ELIGIBILITY.**

104.3 Subdivision 1. **Creation; duties.** A legislative task force is created to review the statutes
104.4 relating to human services background study eligibility and disqualifications, including but
104.5 not limited to Minnesota Statutes, sections 245C.14 and 245C.15, in order to:

104.6 (1) evaluate the existing statutes' effectiveness in protecting the individuals served by
104.7 programs for which background studies are conducted under Minnesota Statutes, chapter
104.8 245C, including by gathering and reviewing available background study disqualification
104.9 data;

104.10 (2) identify the existing statutes' weaknesses and inefficiencies, ways in which the
104.11 existing statutes may unnecessarily or unintentionally prevent qualified individuals from
104.12 providing services or securing employment, and any additional areas for improvement or
104.13 modernization; and

104.14 (3) develop legislative proposals that improve or modernize the human services
104.15 background study eligibility and disqualification statutes, or otherwise address the issues
104.16 identified in clauses (1) and (2).

104.17 Subd. 2. **Membership.** (a) The task force shall consist of 26 members, appointed as
104.18 follows:

104.19 (1) two members representing licensing boards whose licensed providers are subject to
104.20 the provisions in Minnesota Statutes, section 245C.03, one appointed by the speaker of the
104.21 house of representatives, and one appointed by the senate majority leader;

104.22 (2) the commissioner of human services or a designee;

104.23 (3) the commissioner of health or a designee;

104.24 (4) two members representing county attorneys and law enforcement, one appointed by
104.25 the speaker of the house of representatives, and one appointed by the senate majority leader;

104.26 (5) two members representing licensed service providers who are subject to the provisions
104.27 in Minnesota Statutes, section 245C.15, one appointed by the speaker of the house of
104.28 representatives, and one appointed by the senate majority leader;

104.29 (6) four members of the public, including two who have been subject to disqualification
104.30 based on the provisions of Minnesota Statutes, section 245C.15, and two who have been
104.31 subject to a set-aside based on the provisions of Minnesota Statutes, section 245C.15, with

105.1 one from each category appointed by the speaker of the house of representatives, and one
105.2 from each category appointed by the senate majority leader;

105.3 (7) one member appointed by the governor's Workforce Development Board;

105.4 (8) one member appointed by the One Minnesota Council on Diversity, Inclusion, and
105.5 Equity;

105.6 (9) two members representing the Minnesota courts, one appointed by the speaker of
105.7 the house of representatives, and one appointed by the senate majority leader;

105.8 (10) one member appointed jointly by Mid-Minnesota Legal Aid, Southern Minnesota
105.9 Legal Services, and the Legal Rights Center;

105.10 (11) one member representing Tribal organizations, appointed by the Minnesota Indian
105.11 Affairs Council;

105.12 (12) two members from the house of representatives, including one appointed by the
105.13 speaker of the house of representatives and one appointed by the minority leader in the
105.14 house of representatives;

105.15 (13) two members from the senate, including one appointed by the senate majority leader
105.16 and one appointed by the senate minority leader;

105.17 (14) two members representing county human services agencies appointed by the
105.18 Minnesota Association of County Social Service Administrators, including one appointed
105.19 to represent the metropolitan area as defined in Minnesota Statutes, section 473.121,
105.20 subdivision 2, and one appointed to represent the area outside of the metropolitan area; and

105.21 (15) two attorneys who have represented individuals that appealed a background study
105.22 disqualification determination based on Minnesota Statutes, sections 245C.14 and 245C.15,
105.23 one appointed by the speaker of the house of representatives, and one appointed by the
105.24 senate majority leader.

105.25 (b) Appointments to the task force must be made by August 18, 2021.

105.26 Subd. 3. **Compensation.** Public members of the task force may be compensated as
105.27 provided by Minnesota Statutes, section 15.059, subdivision 3.

105.28 Subd. 4. **Officers; meetings.** (a) The first meeting of the task force shall be cochaired
105.29 by the task force member from the majority party of the house of representatives and the
105.30 task force member from the majority party of the senate. The task force shall elect a chair
105.31 and vice chair at the first meeting who shall preside at the remainder of the task force
105.32 meetings. The task force may elect other officers as necessary.

106.1 (b) The task force shall meet at least monthly. The Legislative Coordinating Commission
106.2 shall convene the first meeting by September 1, 2021.

106.3 (c) Meetings of the task force are subject to the Minnesota Open Meeting Law under
106.4 Minnesota Statutes, chapter 13D.

106.5 Subd. 5. **Reports required.** The task force shall submit an interim written report by
106.6 March 1, 2022, and a final report by December 16, 2022, to the chairs and ranking minority
106.7 members of the committees in the house of representatives and the senate with jurisdiction
106.8 over human services licensing. The reports shall explain the task force's findings and
106.9 recommendations relating to each of the duties under subdivision 1, and include any draft
106.10 legislation necessary to implement the recommendations.

106.11 Subd. 6. **Expiration.** The task force expires upon submission of the final report in
106.12 subdivision 5 or December 20, 2022, whichever is later.

106.13 **EFFECTIVE DATE.** This section is effective the day following final enactment and
106.14 expires December 31, 2022.

106.15 Sec. 74. **CHILD CARE CENTER REGULATION MODERNIZATION.**

106.16 (a) The commissioner of human services shall contract with an experienced and
106.17 independent organization or individual consultant to conduct the work outlined in this
106.18 section. If practicable, the commissioner must contract with the National Association for
106.19 Regulatory Administration.

106.20 (b) The consultant must develop a proposal for revised licensing standards that includes
106.21 a risk-based model for monitoring compliance with child care center licensing standards,
106.22 grounded in national regulatory best practices. Violations in the new model must be weighted
106.23 to reflect the potential risk that the violations pose to children's health and safety, and
106.24 licensing sanctions must be tied to the potential risk. The proposed new model must protect
106.25 the health and safety of children in child care centers and be child-centered, family-friendly,
106.26 and fair to providers.

106.27 (c) The consultant shall develop and implement a stakeholder engagement process that
106.28 solicits input from parents, licensed child care centers, staff of the Department of Human
106.29 Services, and experts in child development about appropriate licensing standards, appropriate
106.30 tiers for violations of the standards based on the potential risk of harm that each violation
106.31 poses, and appropriate licensing sanctions for each tier.

106.32 (d) The consultant shall solicit input from parents, licensed child care centers, and staff
106.33 of the Department of Human Services about which child care centers should be eligible for

107.1 abbreviated inspections that predict compliance with other licensing standards for licensed
 107.2 child care centers using key indicators previously identified by an empirically based statistical
 107.3 methodology developed by the National Association for Regulatory Administration and the
 107.4 Research Institute for Key Indicators.

107.5 (e) No later than February 1, 2024, the commissioner shall submit a report and proposed
 107.6 legislation required to implement the new licensing model to the chairs and ranking minority
 107.7 members of the legislative committees with jurisdiction over child care regulation.

107.8 **Sec. 75. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES; CHILD**
 107.9 **FOSTER CARE LICENSING GUIDELINES.**

107.10 By July 1, 2023, the commissioner of human services shall, in consultation with
 107.11 stakeholders with expertise in child protection and children's behavioral health, develop
 107.12 family foster setting licensing guidelines for county agencies and private agencies that
 107.13 perform licensing functions. Stakeholders include but are not limited to child advocates,
 107.14 representatives from community organizations, representatives of the state ethnic councils,
 107.15 the ombudsperson for families, family foster setting providers, youth who have experienced
 107.16 family foster setting placements, county child protection staff, and representatives of county
 107.17 and private licensing agencies.

107.18 **Sec. 76. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; DHS**
 107.19 **FAMILY CHILD CARE FREQUENTLY ASKED QUESTIONS WEBSITE**
 107.20 **MODIFICATIONS.**

107.21 By July 1, 2022, the commissioner of human services shall expand the "frequently asked
 107.22 questions" website for family child care providers to include more answers to submitted
 107.23 questions and a function to search for answers to specific question topics.

107.24 **Sec. 77. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; FAMILY**
 107.25 **CHILD CARE TASK FORCE RECOMMENDATIONS IMPLEMENTATION PLAN.**

107.26 The commissioner of human services shall include individuals representing family child
 107.27 care providers in stakeholder groups that participate in implementing the recommendations
 107.28 of the Family Child Care Task Force.

108.1 **Sec. 78. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; CHILD**
108.2 **CARE ONE-STOP ASSISTANCE NETWORK.**

108.3 (a) By January 1, 2022, the commissioner of human services shall, in consultation with
108.4 county agencies, child care providers, and stakeholders, develop a plan to establish a one-stop
108.5 regional assistance network of individuals with: (1) experience or expertise starting a licensed
108.6 family child care or group family child care program, or a child care center; or (2) technical
108.7 expertise regarding state licensing statutes and procedures. The one-stop regional assistance
108.8 network will assist child care providers and individuals interested in becoming child care
108.9 providers with establishing and sustaining a licensed family child care or group family child
108.10 care program, or a child care center.

108.11 (b) The plan to establish a one-stop regional assistance network shall include:

108.12 (1) an estimated timeline for implementing the assistance network through the child care
108.13 resource and referral system in Minnesota Statutes, section 119B.19;

108.14 (2) an estimated budget for the assistance network;

108.15 (3) a strategy to raise awareness and distribute the network's contact information statewide
108.16 to licensed family child care providers and group family child care providers, and to child
108.17 care centers; and

108.18 (4) any necessary legislative proposals necessary to implement the assistance network.

108.19 (c) The child care resource and referral system in Minnesota Statutes, section 119B.19,
108.20 shall begin implementing the plan according to the established timeline.

108.21 **Sec. 79. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**
108.22 **RECOMMENDED FAMILY CHILD CARE ORIENTATION TRAINING.**

108.23 By July 1, 2022, the commissioner of human services shall work with licensed family
108.24 child care providers and county agencies to develop recommended orientation training
108.25 materials for family child care license applicants to ensure that all family child care license
108.26 applicants receive uniform materials with basic information about Minnesota Statutes,
108.27 chapters 245A, 245C, and 260E, and Minnesota Rules, chapter 9502.

108.28 **Sec. 80. FAMILY CHILD CARE REGULATION MODERNIZATION.**

108.29 (a) The commissioner of human services shall contract with an experienced and
108.30 independent organization or individual consultant to conduct the work outlined in this

109.1 section. If practicable, the commissioner must contract with the National Association for
109.2 Regulatory Administration.

109.3 (b) The consultant must develop a proposal for updated family child care licensing
109.4 standards and solicit input from stakeholders as described in paragraph (d).

109.5 (c) The consultant must develop a proposal for a risk-based model for monitoring
109.6 compliance with family child care licensing standards, grounded in national regulatory best
109.7 practices. Violations in the new model must be weighted to reflect the potential risk they
109.8 pose to children's health and safety, and licensing sanctions must be tied to the potential
109.9 risk. The proposed new model must protect the health and safety of children in family child
109.10 care programs and be child-centered, family-friendly, and fair to providers.

109.11 (d) The consultant shall develop and implement a stakeholder engagement process that
109.12 solicits input from parents, licensed family child care providers, county licensors, staff of
109.13 the Department of Human Services, and experts in child development about licensing
109.14 standards, tiers for violations of the standards based on the potential risk of harm that each
109.15 violation poses, and licensing sanctions for each tier.

109.16 (e) The consultant shall solicit input from parents, licensed family child care providers,
109.17 county licensors, and staff of the Department of Human Services about which family child
109.18 care providers should be eligible for abbreviated inspections that predict compliance with
109.19 other licensing standards for licensed family child care providers using key indicators
109.20 previously identified by an empirically based statistical methodology developed by the
109.21 National Association for Regulatory Administration and the Research Institute for Key
109.22 Indicators.

109.23 (f) No later than February 1, 2024, the commissioner shall submit a report and proposed
109.24 legislation required to implement the new licensing model and the new licensing standards
109.25 to the chairs and ranking minority members of the legislative committees with jurisdiction
109.26 over child care regulation.

109.27 **Sec. 81. FAMILY CHILD CARE TRAINING ADVISORY COMMITTEE.**

109.28 Subdivision 1. **Formation; duties.** (a) The Family Child Care Training Advisory
109.29 Committee shall advise the commissioner of human services on the training requirements
109.30 for licensed family and group family child care providers. Beginning January 1, 2022, the
109.31 advisory committee shall meet at least twice per year. The advisory committee shall annually
109.32 elect a chair from committee members who shall establish the agenda for each meeting.
109.33 The commissioner or commissioner's designee shall attend all advisory committee meetings.

110.1 (b) The Family Child Care Training Advisory Committee shall advise and make
 110.2 recommendations to the commissioner of human services and contractors working on the
 110.3 family child care licensing modernization project on:

110.4 (1) updates to the rules and statutes governing family child care training, including
 110.5 technical updates to facilitate providers' understanding of training requirements;

110.6 (2) modernization of family child care training requirements, including substantive
 110.7 changes to training subject areas;

110.8 (3) difficulties that family child care providers face in completing training requirements,
 110.9 including proposed solutions to provider difficulties; and

110.10 (4) other ideas for improving access to and quality of training for family child care
 110.11 providers.

110.12 (c) The Family Child Care Training Advisory Committee shall expire December 1, 2025.

110.13 Subd. 2. **Advisory committee members.** (a) The Family Child Care Training Advisory
 110.14 Committee consists of:

110.15 (1) four members representing family child care providers from greater Minnesota,
 110.16 including two appointed by the speaker of the house and two appointed by the senate majority
 110.17 leader;

110.18 (2) two members representing family child care providers from the seven-county
 110.19 metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2, including
 110.20 one appointed by the speaker of the house and one appointed by the senate majority leader;

110.21 (3) one member representing family child care providers appointed by the Minnesota
 110.22 Association of Child Care Professionals;

110.23 (4) one member representing family child care providers appointed by the Minnesota
 110.24 Child Care Provider Information Network;

110.25 (5) two members appointed by the Association of Minnesota Child Care Licensors,
 110.26 including one from greater Minnesota and one from the seven-county metropolitan area, as
 110.27 defined in Minnesota Statutes, section 473.121, subdivision 2; and

110.28 (6) five members with expertise in child development and either instructional design or
 110.29 training delivery, including:

110.30 (i) two members appointed by the speaker of the house;

110.31 (ii) two members appointed by the senate majority leader; and

111.1 (iii) one member appointed by Achieve, the Minnesota Center for Professional
111.2 Development.

111.3 (b) Advisory committee members shall not be employed by the Department of Human
111.4 Services. Advisory committee members shall receive no compensation, except that public
111.5 members of the advisory committee may be compensated as provided by Minnesota Statutes,
111.6 section 15.059, subdivision 3.

111.7 (c) Advisory committee members must include representatives of diverse cultural
111.8 communities.

111.9 (d) Advisory committee members shall serve two-year terms. Initial appointments to
111.10 the advisory committee must be made by December 1, 2021. Subsequent appointments to
111.11 the advisory committee must be made by December 1 of the year in which the member's
111.12 term expires. Any vacancy on the advisory committee must be filled within 60 days and
111.13 must be filled in the same manner that the leaving member was appointed under paragraph
111.14 (a).

111.15 (e) The commissioner of human services must convene the first meeting of the advisory
111.16 committee by March 1, 2022.

111.17 Subd. 3. **Commissioner report.** The commissioner of human services shall report
111.18 annually by December 15 to the chairs and ranking minority members of the legislative
111.19 committees with jurisdiction over early care and education programs on any recommendations
111.20 from the Family Child Care Training Advisory Committee. The report may include draft
111.21 legislation necessary to implement recommendations from the advisory committee.

111.22 Sec. 82. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES;**
111.23 **ALTERNATIVE CHILD CARE LICENSING MODELS.**

111.24 The commissioner of human services, in consultation with counties, child care providers,
111.25 and other relevant stakeholders, shall review child care models that are not currently allowed
111.26 under state statutes, including licensing standards related to age, group size, and capacity.
111.27 The commissioner must consider whether any models could address the state's child care
111.28 needs while protecting children's safety, health, and well-being and make recommendations
111.29 for implementing the models that meet these criteria. No later than January 1, 2023, the
111.30 commissioner of human services shall report the recommendations to the chairs and ranking
111.31 minority members of the legislative committees with jurisdiction over child care licensing.

112.1 **Sec. 83. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; FEDERAL**
112.2 **FUND AND CHILD CARE AND DEVELOPMENT BLOCK GRANT**
112.3 **ALLOCATIONS.**

112.4 (a) The commissioner of human services shall allocate \$3,000,000 in fiscal year 2022
112.5 from the child care and development block grant for grants to organizations operating child
112.6 care resource and referral programs under Minnesota Statutes, section 119B.19, to offer a
112.7 child care one-stop regional assistance network.

112.8 (b) The commissioner of human services shall allocate \$50,000 in fiscal year 2022 from
112.9 the child care and development block grant for modifications to the family child care provider
112.10 frequently asked questions website.

112.11 (c) The commissioner of human services shall allocate \$4,500,000 in fiscal year 2022
112.12 from the child care and development block grant for costs to cover the fees related to
112.13 administering child care background studies.

112.14 (d) The commissioner of human services shall allocate \$2,059,000 in fiscal year 2022
112.15 from the child care and development block grant for the child care center regulation
112.16 modernization project.

112.17 (e) The commissioner of human services shall allocate \$1,719,000 in fiscal year 2022
112.18 from the child care and development block grant for the family child care regulation
112.19 modernization project.

112.20 (f) The commissioner of human services shall allocate \$100,000 in fiscal year 2022 from
112.21 the federal fund for a working group to review alternative child care licensing models.

112.22 (g) The commissioner of human services shall allocate \$59,000 in fiscal year 2022 from
112.23 the child care and development block grant for the family child care training advisory
112.24 committee.

112.25 (h) The commissioner of human services shall allocate \$7,650,000 in fiscal year 2022
112.26 from the child care and development block grant for child care information technology and
112.27 system improvements.

112.28 (i) The allocations in this section are available until June 30, 2025.

112.29 **Sec. 84. REVISOR INSTRUCTION.**

112.30 The revisor of statutes shall renumber Minnesota Statutes, section 245C.02, so that the
112.31 subdivisions are alphabetical. The revisor shall correct any cross-references that arise as a
112.32 result of the renumbering.

113.1 Sec. 85. **REPEALER.**

113.2 Laws 2020, First Special Session chapter 7, section 1, subdivision 2, as amended by
 113.3 Laws 2020, Third Special Session chapter 1, section 3, is repealed.

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

113.5 **ARTICLE 3**

113.6 **HEALTH DEPARTMENT**

113.7 Section 1. Minnesota Statutes 2020, section 62J.495, subdivision 1, is amended to read:

113.8 Subdivision 1. **Implementation.** The commissioner of health, in consultation with the
 113.9 e-Health Advisory Committee, shall develop uniform standards to be used for the
 113.10 interoperable electronic health records system for sharing and synchronizing patient data
 113.11 across systems. The standards must be compatible with federal efforts. The uniform standards
 113.12 must be developed by January 1, 2009, and updated on an ongoing basis. ~~The commissioner~~
 113.13 ~~shall include an update on standards development as part of an annual report to the legislature.~~
 113.14 Individual health care providers in private practice with no other providers and health care
 113.15 providers that do not accept reimbursement from a group purchaser, as defined in section
 113.16 62J.03, subdivision 6, are excluded from the requirements of this section.

113.17 Sec. 2. Minnesota Statutes 2020, section 62J.495, subdivision 2, is amended to read:

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

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

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

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

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

114.2 (b) The members of the e-Health Advisory Committee shall include the commissioners,
 114.3 or commissioners' designees, of health, human services, administration, and commerce and
 114.4 additional members to be appointed by the commissioner to include persons representing
 114.5 Minnesota's local public health agencies, licensed hospitals and other licensed facilities and
 114.6 providers, private purchasers, the medical and nursing professions, health insurers and health
 114.7 plans, the state quality improvement organization, academic and research institutions,
 114.8 consumer advisory organizations with an interest and expertise in health information
 114.9 technology, and other stakeholders as identified by the commissioner to fulfill the
 114.10 requirements of section 3013, paragraph (g), of the HITECH Act.

114.11 ~~(c) The commissioner shall prepare and issue an annual report not later than January 30~~
 114.12 ~~of each year outlining progress to date in implementing a statewide health information~~
 114.13 ~~infrastructure and recommending action on policy and necessary resources to continue the~~
 114.14 ~~promotion of adoption and effective use of health information technology.~~

114.15 ~~(d)~~ This subdivision expires June 30, ~~2021~~ 2031.

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

114.17 Sec. 3. Minnesota Statutes 2020, section 62J.495, subdivision 4, is amended to read:

114.18 Subd. 4. **Coordination with national HIT activities.** (a) The commissioner, in
 114.19 consultation with the e-Health Advisory Committee, shall update the statewide
 114.20 implementation plan required under subdivision 2 and released June 2008, to be consistent
 114.21 with the updated federal HIT Strategic Plan released by the Office of the National Coordinator
 114.22 ~~in accordance with section 3001 of the HITECH Act. The statewide plan shall meet the~~
 114.23 ~~requirements for a plan required under section 3013 of the HITECH Act~~ plans.

114.24 (b) The commissioner, in consultation with the e-Health Advisory Committee, shall
 114.25 work to ensure coordination between state, regional, and national efforts to support and
 114.26 accelerate efforts to effectively use health information technology to improve the quality
 114.27 and coordination of health care and the continuity of patient care among health care providers,
 114.28 to reduce medical errors, to improve population health, to reduce health disparities, and to
 114.29 reduce chronic disease. The commissioner's coordination efforts shall include but not be
 114.30 limited to:

114.31 ~~(1) assisting in the development and support of health information technology regional~~
 114.32 ~~extension centers established under section 3012(e) of the HITECH Act to provide technical~~
 114.33 ~~assistance and disseminate best practices;~~

115.1 ~~(2) providing supplemental information to the best practices gathered by regional centers~~
115.2 ~~to ensure that the information is relayed in a meaningful way to the Minnesota health care~~
115.3 ~~community;~~

115.4 ~~(3)~~ (1) providing financial and technical support to Minnesota health care providers to
115.5 encourage implementation of admission, discharge and transfer alerts, and care summary
115.6 document exchange transactions and to evaluate the impact of health information technology
115.7 on cost and quality of care. Communications about available financial and technical support
115.8 shall include clear information about the interoperable health record requirements in
115.9 subdivision 1, including a separate statement in bold-face type clarifying the exceptions to
115.10 those requirements;

115.11 ~~(4)~~ (2) providing educational resources and technical assistance to health care providers
115.12 and patients related to state and national privacy, security, and consent laws governing
115.13 clinical health information, including the requirements in sections 144.291 to 144.298. In
115.14 carrying out these activities, the commissioner's technical assistance does not constitute
115.15 legal advice;

115.16 ~~(5)~~ (3) assessing Minnesota's legal, financial, and regulatory framework for health
115.17 information exchange, including the requirements in sections 144.291 to 144.298, and
115.18 making recommendations for modifications that would strengthen the ability of Minnesota
115.19 health care providers to securely exchange data in compliance with patient preferences and
115.20 in a way that is efficient and financially sustainable; and

115.21 ~~(6)~~ (4) seeking public input on both patient impact and costs associated with requirements
115.22 related to patient consent for release of health records for the purposes of treatment, payment,
115.23 and health care operations, as required in section 144.293, subdivision 2. The commissioner
115.24 shall provide a report to the legislature on the findings of this public input process no later
115.25 than February 1, 2017.

115.26 (c) The commissioner, in consultation with the e-Health Advisory Committee, shall
115.27 monitor national activity related to health information technology and shall coordinate
115.28 statewide input on policy development. The commissioner shall coordinate statewide
115.29 responses to proposed federal health information technology regulations in order to ensure
115.30 that the needs of the Minnesota health care community are adequately and efficiently
115.31 addressed in the proposed regulations. The commissioner's responses may include, but are
115.32 not limited to:

115.33 (1) reviewing and evaluating any standard, implementation specification, or certification
115.34 criteria proposed by the national HIT standards ~~committee~~ committees;

116.1 (2) reviewing and evaluating policy proposed by ~~the~~ national HIT policy ~~committee~~
 116.2 ~~committees~~ relating to the implementation of a nationwide health information technology
 116.3 infrastructure; and

116.4 (3) ~~monitoring and responding to activity related to the development of quality measures~~
 116.5 ~~and other measures as required by section 4101 of the HITECH Act. Any response related~~
 116.6 ~~to quality measures shall consider and address the quality efforts required under chapter~~
 116.7 ~~62U; and~~

116.8 (4) monitoring and responding to national activity related to privacy, security, and data
 116.9 stewardship of electronic health information and individually identifiable health information.

116.10 (d) To the extent that the state is either required or allowed to apply, or designate an
 116.11 entity to apply for or carry out activities and programs ~~under section 3013 of the HITECH~~
 116.12 ~~Act~~, the commissioner of health, in consultation with the e-Health Advisory Committee
 116.13 and the commissioner of human services, shall be the lead applicant or sole designating
 116.14 authority. The commissioner shall make such designations consistent with the goals and
 116.15 objectives of sections 62J.495 to 62J.497 and 62J.50 to 62J.61.

116.16 (e) The commissioner of human services shall apply for funding necessary to administer
 116.17 the incentive payments to providers authorized under title IV of the American Recovery
 116.18 and Reinvestment Act.

116.19 ~~(f) The commissioner shall include in the report to the legislature information on the~~
 116.20 ~~activities of this subdivision and provide recommendations on any relevant policy changes~~
 116.21 ~~that should be considered in Minnesota.~~

116.22 Sec. 4. Minnesota Statutes 2020, section 62J.497, subdivision 1, is amended to read:

116.23 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
 116.24 the meanings given.

116.25 ~~(b) "Backward compatible" means that the newer version of a data transmission standard~~
 116.26 ~~would retain, at a minimum, the full functionality of the versions previously adopted, and~~
 116.27 ~~would permit the successful completion of the applicable transactions with entities that~~
 116.28 ~~continue to use the older versions.~~

116.29 ~~(e)~~ (b) "Dispense" or "dispensing" has the meaning given in section 151.01, subdivision
 116.30 30. Dispensing does not include the direct administering of a controlled substance to a
 116.31 patient by a licensed health care professional.

117.1 ~~(d)~~ (c) "Dispenser" means a person authorized by law to dispense a controlled substance,
117.2 pursuant to a valid prescription.

117.3 ~~(e)~~ (d) "Electronic media" has the meaning given under Code of Federal Regulations,
117.4 title 45, part 160.103.

117.5 ~~(f)~~ (e) "E-prescribing" means the transmission using electronic media of prescription or
117.6 prescription-related information between a prescriber, dispenser, pharmacy benefit manager,
117.7 or group purchaser, either directly or through an intermediary, including an e-prescribing
117.8 network. E-prescribing includes, but is not limited to, two-way transmissions between the
117.9 point of care and the dispenser and two-way transmissions related to eligibility, formulary,
117.10 and medication history information.

117.11 ~~(g)~~ (f) "Electronic prescription drug program" means a program that provides for
117.12 e-prescribing.

117.13 ~~(h)~~ (g) "Group purchaser" has the meaning given in section 62J.03, subdivision 6.

117.14 ~~(i)~~ (h) "HL7 messages" means a standard approved by the standards development
117.15 organization known as Health Level Seven.

117.16 ~~(j)~~ (i) "National Provider Identifier" or "NPI" means the identifier described under Code
117.17 of Federal Regulations, title 45, part 162.406.

117.18 ~~(k)~~ (j) "NCPDP" means the National Council for Prescription Drug Programs, Inc.

117.19 ~~(l)~~ (k) "NCPDP Formulary and Benefits Standard" means the most recent version of the
117.20 National Council for Prescription Drug Programs Formulary and Benefits Standard,
117.21 Implementation Guide, Version 1, Release 0, October 2005 or the most recent standard
117.22 adopted by the Centers for Medicare and Medicaid Services for e-prescribing under Medicare
117.23 Part D as required by section 1860D-4(e)(4)(D) of the Social Security Act and regulations
117.24 adopted under it. The standards shall be implemented according to the Centers for Medicare
117.25 and Medicaid Services schedule for compliance.

117.26 ~~(m)~~ (l) "NCPDP SCRIPT Standard" means the most recent version of the National
117.27 Council for Prescription Drug Programs ~~Prescriber/Pharmacist Interface~~ SCRIPT Standard,
117.28 ~~Implementation Guide Version 8, Release 1 (Version 8.1), October 2005,~~ or the most recent
117.29 standard adopted by the Centers for Medicare and Medicaid Services for e-prescribing under
117.30 Medicare Part D as required by section 1860D-4(e)(4)(D) of the Social Security Act, and
117.31 regulations adopted under it. The standards shall be implemented according to the Centers
117.32 for Medicare and Medicaid Services schedule for compliance. ~~Subsequently released versions~~
117.33 ~~of the NCPDP SCRIPT Standard may be used, provided that the new version of the standard~~

118.1 ~~is backward compatible to the current version adopted by the Centers for Medicare and~~
 118.2 ~~Medicaid Services.~~

118.3 ~~(n)~~ (m) "Pharmacy" has the meaning given in section 151.01, subdivision 2.

118.4 ~~(o)~~ (n) "Prescriber" means a licensed health care practitioner, other than a veterinarian,
 118.5 as defined in section 151.01, subdivision 23.

118.6 ~~(p)~~ (o) "Prescription-related information" means information regarding eligibility for
 118.7 drug benefits, medication history, or related health or drug information.

118.8 ~~(q)~~ (p) "Provider" or "health care provider" has the meaning given in section 62J.03,
 118.9 subdivision 8.

118.10 Sec. 5. Minnesota Statutes 2020, section 62J.497, subdivision 3, is amended to read:

118.11 Subd. 3. **Standards for electronic prescribing.** (a) Prescribers and dispensers must use
 118.12 the NCPDP SCRIPT Standard for the communication of a prescription or prescription-related
 118.13 information. ~~The NCPDP SCRIPT Standard shall be used to conduct the following~~
 118.14 ~~transactions:~~

118.15 ~~(1) get message transaction;~~

118.16 ~~(2) status response transaction;~~

118.17 ~~(3) error response transaction;~~

118.18 ~~(4) new prescription transaction;~~

118.19 ~~(5) prescription change request transaction;~~

118.20 ~~(6) prescription change response transaction;~~

118.21 ~~(7) refill prescription request transaction;~~

118.22 ~~(8) refill prescription response transaction;~~

118.23 ~~(9) verification transaction;~~

118.24 ~~(10) password change transaction;~~

118.25 ~~(11) cancel prescription request transaction; and~~

118.26 ~~(12) cancel prescription response transaction.~~

118.27 (b) Providers, group purchasers, prescribers, and dispensers must use the NCPDP SCRIPT
 118.28 Standard for communicating and transmitting medication history information.

119.1 (c) Providers, group purchasers, prescribers, and dispensers must use the NCPDP
 119.2 Formulary and Benefits Standard for communicating and transmitting formulary and benefit
 119.3 information.

119.4 (d) Providers, group purchasers, prescribers, and dispensers must use the national provider
 119.5 identifier to identify a health care provider in e-prescribing or prescription-related transactions
 119.6 when a health care provider's identifier is required.

119.7 (e) Providers, group purchasers, prescribers, and dispensers must communicate eligibility
 119.8 information and conduct health care eligibility benefit inquiry and response transactions
 119.9 according to the requirements of section 62J.536.

119.10 Sec. 6. Minnesota Statutes 2020, section 62J.63, subdivision 1, is amended to read:

119.11 Subdivision 1. ~~Establishment; administration~~ **Support for state health care**
 119.12 **purchasing and performance measurement.** The commissioner of health shall ~~establish~~
 119.13 ~~and administer the Center for Health Care Purchasing Improvement as an administrative~~
 119.14 ~~unit within the Department of Health. The Center for Health Care Purchasing Improvement~~
 119.15 ~~shall~~ support the state in its efforts to be a more prudent and efficient purchaser of quality
 119.16 health care services. ~~The center shall~~ aid the state in developing and using more common
 119.17 strategies and approaches for health care performance measurement and health care
 119.18 purchasing. ~~The common strategies and approaches shall~~ promote greater transparency of
 119.19 health care costs and quality; and greater accountability for health care results and
 119.20 improvement. ~~The center shall also~~, and identify barriers to more efficient, effective, quality
 119.21 health care and options for overcoming the barriers.

119.22 Sec. 7. Minnesota Statutes 2020, section 62J.63, subdivision 2, is amended to read:

119.23 Subd. 2. ~~Staffing; Duties; scope.~~ (a) The commissioner of health may ~~appoint a director,~~
 119.24 ~~and up to three additional senior-level staff or codirectors, and other staff as needed who~~
 119.25 ~~are under the direction of the commissioner. The staff of the center are in the unclassified~~
 119.26 ~~service.:~~

119.27 (b) ~~With the authorization of the commissioner of health, and in consultation or~~
 119.28 ~~interagency agreement with the appropriate commissioners of state agencies, the director,~~
 119.29 ~~or codirectors, may:~~

119.30 (1) ~~initiate projects to develop plan designs for state health care purchasing;~~

119.31 (2) (1) require reports or surveys to evaluate the performance of current health care
 119.32 purchasing or administrative simplification strategies;

120.1 ~~(3)~~ (2) calculate fiscal impacts, including net savings and return on investment, of health
 120.2 care purchasing strategies and initiatives;

120.3 ~~(4) conduct policy audits of state programs to measure conformity to state statute or~~
 120.4 ~~other purchasing initiatives or objectives;~~

120.5 ~~(5)~~ (3) support the Administrative Uniformity Committee under ~~section~~ sections 62J.50
 120.6 and 62J.536 and other relevant groups or activities to advance agreement on health care
 120.7 administrative process streamlining;

120.8 ~~(6) consult with the Health Economics Unit of the Department of Health regarding~~
 120.9 ~~reports and assessments of the health care marketplace;~~

120.10 ~~(7) consult with the Department of Commerce regarding health care regulatory issues~~
 120.11 ~~and legislative initiatives;~~

120.12 ~~(8) work with appropriate Department of Human Services staff and the Centers for~~
 120.13 ~~Medicare and Medicaid Services to address federal requirements and conformity issues for~~
 120.14 ~~health care purchasing;~~

120.15 ~~(9) assist the Minnesota Comprehensive Health Association in health care purchasing~~
 120.16 ~~strategies;~~

120.17 ~~(10) convene medical directors of agencies engaged in health care purchasing for advice,~~
 120.18 ~~collaboration, and exploring possible synergies;~~

120.19 ~~(11)~~ (4) contact and participate with other relevant health care task forces, study activities,
 120.20 and similar efforts with regard to health care performance measurement and
 120.21 performance-based purchasing; and

120.22 ~~(12)~~ (5) assist in seeking external funding through appropriate grants or other funding
 120.23 opportunities and may administer grants and externally funded projects.

120.24 Sec. 8. Minnesota Statutes 2020, section 62U.04, subdivision 4, is amended to read:

120.25 Subd. 4. **Encounter data.** (a) ~~Beginning July 1, 2009, and every six months thereafter,~~
 120.26 All health plan companies and third-party administrators shall submit encounter data on a
 120.27 monthly basis to a private entity designated by the commissioner of health. The data shall
 120.28 be submitted in a form and manner specified by the commissioner subject to the following
 120.29 requirements:

120.30 (1) the data must be de-identified data as described under the Code of Federal Regulations,
 120.31 title 45, section 164.514;

121.1 (2) the data for each encounter must include an identifier for the patient's health care
121.2 home if the patient has selected a health care home and, for claims incurred on or after
121.3 January 1, 2019, data deemed necessary by the commissioner to uniquely identify claims
121.4 in the individual health insurance market; and

121.5 (3) except for the identifier described in clause (2), the data must not include information
121.6 that is not included in a health care claim or equivalent encounter information transaction
121.7 that is required under section 62J.536.

121.8 (b) The commissioner or the commissioner's designee shall only use the data submitted
121.9 under paragraph (a) to carry out the commissioner's responsibilities in this section, including
121.10 supplying the data to providers so they can verify their results of the peer grouping process
121.11 consistent with the recommendations developed pursuant to subdivision 3c, paragraph (d),
121.12 and adopted by the commissioner and, if necessary, submit comments to the commissioner
121.13 or initiate an appeal.

121.14 (c) Data on providers collected under this subdivision are private data on individuals or
121.15 nonpublic data, as defined in section 13.02. Notwithstanding the definition of summary data
121.16 in section 13.02, subdivision 19, summary data prepared under this subdivision may be
121.17 derived from nonpublic data. The commissioner or the commissioner's designee shall
121.18 establish procedures and safeguards to protect the integrity and confidentiality of any data
121.19 that it maintains.

121.20 (d) The commissioner or the commissioner's designee shall not publish analyses or
121.21 reports that identify, or could potentially identify, individual patients.

121.22 (e) The commissioner shall compile summary information on the data submitted under
121.23 this subdivision. The commissioner shall work with its vendors to assess the data submitted
121.24 in terms of compliance with the data submission requirements and the completeness of the
121.25 data submitted by comparing the data with summary information compiled by the
121.26 commissioner and with established and emerging data quality standards to ensure data
121.27 quality.

121.28 Sec. 9. Minnesota Statutes 2020, section 62U.04, subdivision 5, is amended to read:

121.29 Subd. 5. **Pricing data.** (a) ~~Beginning July 1, 2009, and annually on January 1 thereafter,~~
121.30 All health plan companies and third-party administrators shall submit, on a monthly basis,
121.31 data on their contracted prices with health care providers to a private entity designated by
121.32 the commissioner of health for the purposes of performing the analyses required under this

122.1 subdivision. The data shall be submitted in the form and manner specified by the
122.2 commissioner of health.

122.3 (b) The commissioner or the commissioner's designee shall only use the data submitted
122.4 under this subdivision to carry out the commissioner's responsibilities under this section,
122.5 including supplying the data to providers so they can verify their results of the peer grouping
122.6 process consistent with the recommendations developed pursuant to subdivision 3c, paragraph
122.7 (d), and adopted by the commissioner and, if necessary, submit comments to the
122.8 commissioner or initiate an appeal.

122.9 (c) Data collected under this subdivision are nonpublic data as defined in section 13.02.
122.10 Notwithstanding the definition of summary data in section 13.02, subdivision 19, summary
122.11 data prepared under this section may be derived from nonpublic data. The commissioner
122.12 shall establish procedures and safeguards to protect the integrity and confidentiality of any
122.13 data that it maintains.

122.14 Sec. 10. Minnesota Statutes 2020, section 103H.201, subdivision 1, is amended to read:

122.15 Subdivision 1. **Procedure.** (a) If groundwater quality monitoring results show that there
122.16 is a degradation of groundwater, the commissioner of health may promulgate health risk
122.17 limits under subdivision 2 for substances degrading the groundwater.

122.18 (b) Health risk limits shall be determined by two methods depending on their toxicological
122.19 end point.

122.20 (c) For systemic toxicants that are not carcinogens, the adopted health risk limits shall
122.21 be derived using United States Environmental Protection Agency risk assessment methods
122.22 using a reference dose, a drinking water equivalent, and a relative source contribution factor.

122.23 (d) For toxicants that are known or probable carcinogens, the adopted health risk limits
122.24 shall be derived from a quantitative estimate of the chemical's carcinogenic potency published
122.25 by the United States Environmental Protection Agency ~~and~~ or determined by the
122.26 commissioner to have undergone thorough scientific review.

122.27 Sec. 11. [144.064] THE VIVIAN ACT.

122.28 Subdivision 1. Short title. This section shall be known and may be cited as the "Vivian
122.29 Act."

122.30 Subd. 2. Definitions. For purposes of this section, the following terms have the meanings
122.31 given them:

123.1 (1) "CMV" means the human herpesvirus cytomegalovirus, also called HCMV, human
123.2 herpesvirus 5, and HHV-5;

123.3 (2) "commissioner" means the commissioner of health;

123.4 (3) "congenital CMV" means the transmission of a CMV infection from a pregnant
123.5 mother to her fetus; and

123.6 (4) "health care practitioner" means a health care professional who provides prenatal or
123.7 postnatal care or care to infants.

123.8 Subd. 3. Commissioner duties. (a) The commissioner shall make available to health
123.9 care practitioners, women who may become pregnant, expectant parents, and parents of
123.10 infants up-to-date and evidence-based information about congenital CMV that has been
123.11 reviewed by experts with knowledge of the disease. The information shall include the
123.12 following:

123.13 (1) the recommendation to consider testing for congenital CMV if the parent or legal
123.14 guardian of the infant elected not to have newborn screening performed under section
123.15 144.125, the infant failed a newborn hearing screening, or pregnancy history suggests
123.16 increased risk for congenital CMV infection;

123.17 (2) the incidence of CMV;

123.18 (3) the transmission of CMV to pregnant women and women who may become pregnant;

123.19 (4) birth defects caused by congenital CMV;

123.20 (5) available preventative measures to avoid the infection of women who are pregnant
123.21 or may become pregnant; and

123.22 (6) resources available for families of children born with congenital CMV.

123.23 (b) The commissioner shall follow existing department practice, inclusive of community
123.24 engagement, to ensure that the information in paragraph (a) is culturally and linguistically
123.25 appropriate for all recipients.

123.26 (c) The commissioner shall establish an outreach program to:

123.27 (1) educate women who may become pregnant, expectant parents, and parents of infants
123.28 about CMV; and

123.29 (2) raise awareness for CMV among health care practitioners.

123.30 (d) The Advisory Committee on Heritable and Congenital Disorders established under
123.31 section 144.1255 shall review congenital CMV for inclusion on the list of tests to be

124.1 performed under section 144.125. If the committee recommends and the commissioner
124.2 approves the recommendation of adding congenital CMV to the newborn screening panel,
124.3 the commissioner shall publish the addition in the State Register and the per specimen fee
124.4 for screening under section 144.125, subdivision 1, paragraph (c), shall be increased by
124.5 \$43, for a total of \$220 per specimen, effective upon publication in the State Register.

124.6 Sec. 12. Minnesota Statutes 2020, section 144.0724, subdivision 1, is amended to read:

124.7 Subdivision 1. **Resident reimbursement case mix classifications.** The commissioner
124.8 of health shall establish resident reimbursement case mix classifications based upon the
124.9 assessments of residents of nursing homes and boarding care homes conducted under this
124.10 section and according to section 256R.17.

124.11 Sec. 13. Minnesota Statutes 2020, section 144.0724, subdivision 2, is amended to read:

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

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

124.17 (b) "Case mix index" means the weighting factors assigned to the RUG-IV classifications.

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

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

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

124.28 (f) "Resource utilization groups" or "RUG" means the system for grouping a nursing
124.29 facility's residents according to their clinical and functional status identified in data supplied
124.30 by the facility's Minimum Data Set.

125.1 (g) "Activities of daily living" ~~means grooming,~~ includes personal hygiene, dressing,
125.2 bathing, transferring, bed mobility, positioning, locomotion, eating, and toileting.

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

125.7 (1) nursing facility services under section 256B.434 or chapter 256R;

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

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

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

125.11 Sec. 14. Minnesota Statutes 2020, section 144.0724, subdivision 3a, is amended to read:

125.12 Subd. 3a. **Resident reimbursement case mix classifications beginning January 1,**
125.13 **2012.** (a) Beginning January 1, 2012, resident reimbursement case mix classifications shall
125.14 be based on the Minimum Data Set, version 3.0 assessment instrument, or its successor
125.15 version mandated by the Centers for Medicare and Medicaid Services that nursing facilities
125.16 are required to complete for all residents. The commissioner of health shall establish resident
125.17 classifications according to the RUG-IV, 48 group, resource utilization groups. Resident
125.18 classification must be established based on the individual items on the Minimum Data Set,
125.19 which must be completed according to the Long Term Care Facility Resident Assessment
125.20 Instrument User's Manual Version 3.0 or its successor issued by the Centers for Medicare
125.21 and Medicaid Services.

125.22 (b) Each resident must be classified based on the information from the Minimum Data
125.23 Set according to general categories ~~as defined in the Case Mix Classification Manual for~~
125.24 ~~Nursing Facilities~~ issued by the Minnesota Department of Health.

125.25 Sec. 15. Minnesota Statutes 2020, section 144.0724, subdivision 5, is amended to read:

125.26 Subd. 5. **Short stays.** (a) A facility must submit to the commissioner of health an
125.27 admission assessment for all residents who stay in the facility 14 days or less-, unless the
125.28 resident is admitted and discharged from the facility on the same day, in which case the
125.29 admission assessment is not required. When an admission assessment is not submitted, the
125.30 case mix classification shall be the rate with a case mix index of 1.0.

126.1 (b) Notwithstanding the admission assessment requirements of paragraph (a), a facility
 126.2 may elect to accept a short stay rate with a case mix index of 1.0 for all facility residents
 126.3 who stay 14 days or less in lieu of submitting an admission assessment. Facilities shall make
 126.4 this election annually.

126.5 (c) Nursing facilities must elect one of the options described in paragraphs (a) and (b)
 126.6 by reporting to the commissioner of health, as prescribed by the commissioner. The election
 126.7 is effective on July 1 each year.

126.8 Sec. 16. Minnesota Statutes 2020, section 144.0724, subdivision 7, is amended to read:

126.9 Subd. 7. **Notice of resident reimbursement case mix classification.** (a) The
 126.10 commissioner of health shall provide to a nursing facility a notice for each resident of the
 126.11 ~~reimbursement~~ classification established under subdivision 1. The notice must inform the
 126.12 resident of the case mix classification ~~that was~~ assigned, the opportunity to review the
 126.13 documentation supporting the classification, the opportunity to obtain clarification from the
 126.14 commissioner, and the opportunity to request a reconsideration of the classification and the
 126.15 address and telephone number of the Office of Ombudsman for Long-Term Care. The
 126.16 commissioner must transmit the notice of resident classification by electronic means to the
 126.17 nursing facility. ~~A~~ The nursing facility is responsible for the distribution of the notice to
 126.18 each resident, ~~to the person responsible for the payment of the resident's nursing home~~
 126.19 ~~expenses, or to another person designated by the resident~~ or the resident's representative.
 126.20 This notice must be distributed within three working business days after the facility's receipt
 126.21 ~~of the electronic file of notice of case mix classifications from the commissioner of health.~~

126.22 (b) If a facility submits a ~~modification to the most recent assessment used to establish~~
 126.23 ~~a case mix classification conducted under subdivision 3 that results~~ modifying assessment
 126.24 resulting in a change in the case mix classification, the facility shall give must provide a
 126.25 written notice to the resident or the resident's representative about regarding the item or
 126.26 items that was were modified and the reason for the modification modifications. The notice
 126.27 ~~of modified assessment may~~ must be provided ~~at the same time that the resident or resident's~~
 126.28 ~~representative is provided the resident's modified notice of classification~~ within three business
 126.29 days after distribution of the resident case mix classification notice.

126.30 Sec. 17. Minnesota Statutes 2020, section 144.0724, subdivision 8, is amended to read:

126.31 Subd. 8. **Request for reconsideration of resident classifications.** (a) The resident, or
 126.32 resident's representative, or the nursing facility or boarding care home may request that the
 126.33 commissioner of health reconsider the assigned reimbursement case mix classification and

127.1 any item or items changed during the audit process. The request for reconsideration must
 127.2 be submitted in writing to the commissioner ~~within 30 days of the day the resident or the~~
 127.3 ~~resident's representative receives the resident classification notice~~ of health.

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

127.5 (1) The resident or the resident's representative must submit in writing a reconsideration
 127.6 request to the facility administrator within 30 days of receipt of the resident classification
 127.7 notice. The written request for reconsideration must include the ~~name of the resident, the~~
 127.8 ~~name and address of the facility in which the resident resides, the reasons for the~~
 127.9 ~~reconsideration, and documentation supporting the request. The documentation accompanying~~
 127.10 ~~the reconsideration request is limited to a copy of the MDS that determined the classification~~
 127.11 ~~and other documents that would support or change the MDS findings.~~

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

127.18 ~~(b)~~ (3) Upon written request and within three business days, the nursing facility must
 127.19 give the resident or the resident's representative a copy of the assessment ~~form~~ being
 127.20 reconsidered and the other all supporting documentation that was given to the commissioner
 127.21 of health used to support complete the assessment findings. The nursing facility shall also
 127.22 ~~provide access to and a copy of other information from the resident's record that has been~~
 127.23 ~~requested by or on behalf of the resident to support a resident's reconsideration request. A~~
 127.24 ~~copy of any requested material must be provided within three working days of receipt of a~~
 127.25 ~~written request for the information.~~ Notwithstanding any law to the contrary, the facility
 127.26 may not charge a fee for providing copies of the requested documentation. If a facility fails
 127.27 to provide the ~~material~~ required documents within this time, it is subject to the issuance of
 127.28 a correction order and penalty assessment under sections 144.653 and 144A.10.
 127.29 Notwithstanding those sections, any correction order issued under this subdivision must
 127.30 require that the nursing facility immediately comply with the request for information, and
 127.31 ~~that~~ as of the date of the issuance of the correction order, the facility shall forfeit to the state
 127.32 a \$100 fine for the first day of noncompliance, and an increase in the \$100 fine by \$50
 127.33 increments for each day the noncompliance continues.

128.1 ~~(c) in addition to the information required under paragraphs (a) and (b), a reconsideration~~
 128.2 ~~request from a nursing facility must contain the following information: (i) the date the~~
 128.3 ~~reimbursement classification notices were received by the facility; (ii) the date the~~
 128.4 ~~classification notices were distributed to the resident or the resident's representative; and~~
 128.5 ~~(iii) For reconsideration requests initiated by the facility:~~

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

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

128.10 (ii) of the potential for a classification and subsequent rate change;

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

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

128.13 and

128.14 (v) that the resident or the resident's representative has the right to request a

128.15 reconsideration.

128.16 (2) Within 30 days of receipt of the audit exit report or resident classification notice, the
 128.17 facility must submit to the commissioner of health a completed reconsideration request
 128.18 form, all supporting documentation used to complete the assessment being reconsidered,
 128.19 and a copy of a the notice sent to informing the resident or to the resident's representative.
 128.20 ~~This notice must inform the resident or the resident's representative that a reconsideration~~
 128.21 ~~of the resident's classification is being requested, the reason for the request, that the resident's~~
 128.22 ~~rate will change if the request is approved by the commissioner, the extent of the change,~~
 128.23 ~~that copies of the facility's request and supporting documentation are available for review,~~
 128.24 ~~and that the resident also has the right to request a reconsideration.~~

128.25 (3) If the facility fails to provide the required information listed in item (iii) with the
 128.26 reconsideration request, the commissioner may request that the facility provide the
 128.27 information within 14 calendar days, the reconsideration request must may be denied if the
 128.28 information is then not provided, and the facility may not make further reconsideration
 128.29 requests on that specific reimbursement this classification.

128.30 (d) Reconsideration by the commissioner must be made by individuals not involved in
 128.31 reviewing the assessment, audit, or reconsideration that established the disputed classification.
 128.32 The reconsideration must be based upon the assessment that determined the classification
 128.33 and upon the information provided to the commissioner of health under paragraphs (a) ~~and~~

129.1 ~~(b) to (c)~~. If necessary for evaluating the reconsideration request, the commissioner may
129.2 conduct on-site reviews. Within 15 ~~working~~ business days of receiving the request for
129.3 reconsideration, the commissioner shall affirm or modify the original resident classification.
129.4 The original classification must be modified if the commissioner determines that the
129.5 assessment resulting in the classification did not accurately reflect characteristics of the
129.6 resident at the time of the assessment. ~~The resident and the nursing facility or boarding care~~
129.7 ~~home shall be notified within five working days after the decision is made.~~ The commissioner
129.8 must transmit the reconsideration classification notice by electronic means to the nursing
129.9 facility. The nursing facility is responsible for the distribution of the notice to the resident
129.10 or the resident's representative. The notice must be distributed by the nursing facility within
129.11 three business days after receipt. A decision by the commissioner under this subdivision is
129.12 the final administrative decision of the agency for the party requesting reconsideration.

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

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

129.20 Sec. 18. Minnesota Statutes 2020, section 144.0724, subdivision 9, is amended to read:

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

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

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

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

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

130.3 (1) Each facility shall be audited annually. If a facility has two successive audits in which
130.4 the percentage of change is five percent or less and the facility has not been the subject of
130.5 a special audit in the past 36 months, the facility may be audited biannually. A stratified
130.6 sample of 15 percent, with a minimum of ten assessments, of the most current assessments
130.7 shall be selected for audit. If more than 20 percent of the RUG-IV classifications are changed
130.8 as a result of the audit, the audit shall be expanded to a second 15 percent sample, with a
130.9 minimum of ten assessments. If the total change between the first and second samples is
130.10 35 percent or greater, the commissioner may expand the audit to all of the remaining
130.11 assessments.

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

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

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

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

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

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

130.23 (v) a criminal indictment alleging provider fraud;

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

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

130.26 (viii) nonsubmission of assessments;

130.27 (ix) late submission of assessments; or

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

130.29 (f) ~~Within 15 working days of completing the audit process, the commissioner shall~~
130.30 ~~make available electronically the results of the audit to the facility. If the results of the audit~~
130.31 ~~reflect a change in the resident's case mix classification, a case mix classification notice~~

131.1 ~~will be made available electronically to the facility, using the procedure in subdivision 7,~~
 131.2 ~~paragraph (a). The notice must contain the resident's classification and a statement informing~~
 131.3 ~~the resident, the resident's authorized representative, and the facility of their right to review~~
 131.4 ~~the commissioner's documents supporting the classification and to request a reconsideration~~
 131.5 ~~of the classification. This notice must also include the address and telephone number of the~~
 131.6 ~~Office of Ombudsman for Long-Term Care. If the audit results in a case mix classification~~
 131.7 ~~change, the commissioner must transmit the audit classification notice by electronic means~~
 131.8 ~~to the nursing facility within 15 business days of completing an audit. The nursing facility~~
 131.9 ~~is responsible for distribution of the notice to each resident or the resident's representative.~~
 131.10 ~~This notice must be distributed by the nursing facility within three business days after~~
 131.11 ~~receipt. The notice must inform the resident of the case mix classification assigned, the~~
 131.12 ~~opportunity to review the documentation supporting the classification, the opportunity to~~
 131.13 ~~obtain clarification from the commissioner, the opportunity to request a reconsideration of~~
 131.14 ~~the classification, and the address and telephone number of the Office of Ombudsman for~~
 131.15 ~~Long-Term Care.~~

131.16 Sec. 19. Minnesota Statutes 2020, section 144.0724, subdivision 12, is amended to read:

131.17 Subd. 12. **Appeal of nursing facility level of care determination.** (a) A resident or
 131.18 prospective resident whose level of care determination results in a denial of long-term care
 131.19 services can appeal the determination as outlined in section 256B.0911, subdivision 3a,
 131.20 paragraph (h), clause (9).

131.21 (b) The commissioner of human services shall ensure that notice of changes in eligibility
 131.22 due to a nursing facility level of care determination is provided to each affected recipient
 131.23 or the recipient's guardian at least 30 days before the effective date of the change. The notice
 131.24 shall include the following information:

131.25 (1) how to obtain further information on the changes;

131.26 (2) how to receive assistance in obtaining other services;

131.27 (3) a list of community resources; and

131.28 (4) appeal rights.

131.29 ~~A recipient who meets the criteria in section 256B.0922, subdivision 2, paragraph (a), clauses~~
 131.30 ~~(1) and (2), may request continued services pending appeal within the time period allowed~~
 131.31 ~~to request an appeal under section 256.045, subdivision 3, paragraph (i). This paragraph is~~
 131.32 ~~in effect for appeals filed between January 1, 2015, and December 31, 2016.~~

132.1 Sec. 20. Minnesota Statutes 2020, section 144.125, subdivision 1, is amended to read:

132.2 Subdivision 1. **Duty to perform testing.** (a) It is the duty of (1) the administrative officer
132.3 or other person in charge of each institution caring for infants 28 days or less of age, (2) the
132.4 person required in pursuance of the provisions of section 144.215, to register the birth of a
132.5 child, or (3) the nurse midwife or midwife in attendance at the birth, to arrange to have
132.6 administered to every infant or child in its care tests for heritable and congenital disorders
132.7 according to subdivision 2 and rules prescribed by the state commissioner of health.

132.8 (b) Testing, recording of test results, reporting of test results, and follow-up of infants
132.9 with heritable congenital disorders, including hearing loss detected through the early hearing
132.10 detection and intervention program in section 144.966, shall be performed at the times and
132.11 in the manner prescribed by the commissioner of health.

132.12 (c) The fee to support the newborn screening program, including tests administered
132.13 under this section and section 144.966, shall be ~~\$135~~ \$177 per specimen. This fee amount
132.14 shall be deposited in the state treasury and credited to the state government special revenue
132.15 fund.

132.16 (d) The fee to offset the cost of the support services provided under section 144.966,
132.17 subdivision 3a, shall be \$15 per specimen. This fee shall be deposited in the state treasury
132.18 and credited to the general fund.

132.19 Sec. 21. **[144.1461] DIGNITY IN PREGNANCY AND CHILDBIRTH.**

132.20 Subdivision 1. **Citation.** This section may be cited as the "Dignity in Pregnancy and
132.21 Childbirth Act."

132.22 Subd. 2. **Continuing education.** (a) Hospitals with obstetric care and birth centers must
132.23 develop or access a continuing education curriculum and must make available to direct care
132.24 employees and contractors who routinely care for patients who are pregnant or postpartum
132.25 a continuing education course on anti-racism training and implicit bias. The continuing
132.26 education curriculum and course must:

132.27 (1) be evidence-based;

132.28 (2) to the extent practicable, conform with standards for continuing education established
132.29 by the applicable health-related licensing boards; and

132.30 (3) include, at a minimum, the following elements:

132.31 (i) education aimed at identifying personal, interpersonal, institutional, structural, and
132.32 cultural barriers to inclusion;

133.1 (ii) identifying and implementing corrective measures to promote anti-racism practices
133.2 and decrease implicit bias at the interpersonal and institutional levels, including the facility's
133.3 ongoing policies and practices;

133.4 (iii) providing information on the ongoing effects of historical and contemporary
133.5 exclusion and oppression of Black and Indigenous communities with the greatest health
133.6 disparities in maternal and infant mortality and morbidity;

133.7 (iv) providing information on and discussion of health disparities in the perinatal health
133.8 care field, including how systemic racism and implicit bias have different impacts on health
133.9 outcomes for different racial and ethnic communities; and

133.10 (v) soliciting perspectives of diverse local constituency groups and experts on racial,
133.11 identity, cultural, and provider-community relationship issues.

133.12 (b) In addition to the initial continuing education course made available under paragraph
133.13 (a), hospitals with obstetric care and birth centers must make available an annual refresher
133.14 course that reflects current trends on race, culture, identity, and anti-racism principles and
133.15 institutional implicit bias.

133.16 (c) The commissioner of health, in coordination with the Minnesota Hospital Association,
133.17 shall monitor implementation of this subdivision by hospitals with obstetric care and birth
133.18 centers and may inspect course records or require reports from hospitals with obstetric care
133.19 and birth centers on the continuing education curricula used and courses offered under this
133.20 subdivision. Initial continuing education courses under this subdivision must be made
133.21 available by December 31, 2022.

133.22 (d) Hospitals with obstetric care and birth centers must provide a certificate of course
133.23 completion to another facility or to a course attendee upon request. A facility may accept
133.24 a course certificate from another facility for a health care provider who works at more than
133.25 one facility.

133.26 Subd. 3. **Midwife and doula care.** (a) In order to improve maternal and infant health
133.27 and birth outcomes in groups with the most significant disparities, including Black
133.28 communities, Indigenous communities, and other communities of color; rural communities;
133.29 and low-income families, the commissioner of health, in partnership with patient groups
133.30 and culturally based community organizations, shall:

133.31 (1) identify barriers to obtaining midwife and doula services for groups with the most
133.32 significant disparities in maternal and infant mortality and morbidity, and develop procedures

134.1 and services designed to increase the availability of midwife and doula services for these
 134.2 groups;

134.3 (2) promote racial, ethnic, and language diversity in the midwife and doula workforce
 134.4 that better aligns with the childbearing populations in groups with the most significant
 134.5 disparities in maternal and infant mortality and morbidity; and

134.6 (3) explore ways to ensure that midwife and doula training and education are culturally
 134.7 responsive and tailored to the specific needs of groups with the most significant disparities
 134.8 in maternal and infant mortality and morbidity, including trauma-informed care, maternal
 134.9 mood disorders, intimate partner violence, and implicit bias and anti-racism.

134.10 (b) For purposes of this subdivision, midwife and doula services include traditional
 134.11 midwife services as defined in section 147D.03; nurse midwife services as defined in section
 134.12 148.171, subdivision 10; and doula services as defined in section 148.995, subdivision 4;
 134.13 and the midwife and doula workforce includes traditional midwives, nurse midwives, and
 134.14 certified doulas.

134.15 Sec. 22. Minnesota Statutes 2020, section 144.1501, subdivision 1, is amended to read:

134.16 Subdivision 1. **Definitions.** (a) For purposes of this section, the following definitions
 134.17 apply.

134.18 (b) "Advanced dental therapist" means an individual who is licensed as a dental therapist
 134.19 under section 150A.06, and who is certified as an advanced dental therapist under section
 134.20 150A.106.

134.21 (c) "Alcohol and drug counselor" means an individual who is licensed as an alcohol and
 134.22 drug counselor under chapter 148F.

134.23 ~~(e)~~ (d) "Dental therapist" means an individual who is licensed as a dental therapist under
 134.24 section 150A.06.

134.25 ~~(d)~~ (e) "Dentist" means an individual who is licensed to practice dentistry.

134.26 ~~(e)~~ (f) "Designated rural area" means a statutory and home rule charter city or township
 134.27 that is outside the seven-county metropolitan area as defined in section 473.121, subdivision
 134.28 2, excluding the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud.

134.29 ~~(f)~~ (g) "Emergency circumstances" means those conditions that make it impossible for
 134.30 the participant to fulfill the service commitment, including death, total and permanent
 134.31 disability, or temporary disability lasting more than two years.

135.1 ~~(g)~~ (h) "Mental health professional" means an individual providing clinical services in
 135.2 the treatment of mental illness who is qualified in at least one of the ways specified in section
 135.3 245.462, subdivision 18.

135.4 ~~(h)~~ (i) "Medical resident" means an individual participating in a medical residency in
 135.5 family practice, internal medicine, obstetrics and gynecology, pediatrics, or psychiatry.

135.6 ~~(i)~~ (j) "Midlevel practitioner" means a nurse practitioner, nurse-midwife, nurse anesthetist,
 135.7 advanced clinical nurse specialist, or physician assistant.

135.8 ~~(j)~~ (k) "Nurse" means an individual who has completed training and received all licensing
 135.9 or certification necessary to perform duties as a licensed practical nurse or registered nurse.

135.10 ~~(k)~~ (l) "Nurse-midwife" means a registered nurse who has graduated from a program of
 135.11 study designed to prepare registered nurses for advanced practice as nurse-midwives.

135.12 ~~(l)~~ (m) "Nurse practitioner" means a registered nurse who has graduated from a program
 135.13 of study designed to prepare registered nurses for advanced practice as nurse practitioners.

135.14 ~~(m)~~ (n) "Pharmacist" means an individual with a valid license issued under chapter 151.

135.15 ~~(n)~~ (o) "Physician" means an individual who is licensed to practice medicine in the areas
 135.16 of family practice, internal medicine, obstetrics and gynecology, pediatrics, or psychiatry.

135.17 ~~(o)~~ (p) "Physician assistant" means a person licensed under chapter 147A.

135.18 ~~(p)~~ (q) "Public health nurse" means a registered nurse licensed in Minnesota who has
 135.19 obtained a registration certificate as a public health nurse from the Board of Nursing in
 135.20 accordance with Minnesota Rules, chapter 6316.

135.21 ~~(q)~~ (r) "Qualified educational loan" means a government, commercial, or foundation
 135.22 loan for actual costs paid for tuition, reasonable education expenses, and reasonable living
 135.23 expenses related to the graduate or undergraduate education of a health care professional.

135.24 ~~(r)~~ (s) "Underserved urban community" means a Minnesota urban area or population
 135.25 included in the list of designated primary medical care health professional shortage areas
 135.26 (HPSAs), medically underserved areas (MUAs), or medically underserved populations
 135.27 (MUPs) maintained and updated by the United States Department of Health and Human
 135.28 Services.

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

136.1 Sec. 23. Minnesota Statutes 2020, section 144.1501, subdivision 2, is amended to read:

136.2 Subd. 2. **Creation of account.** (a) A health professional education loan forgiveness
136.3 program account is established. The commissioner of health shall use money from the
136.4 account to establish a loan forgiveness program:

136.5 (1) for medical residents ~~and~~, mental health professionals, and alcohol and drug
136.6 counselors agreeing to practice in designated rural areas or underserved urban communities
136.7 or specializing in the area of pediatric psychiatry;

136.8 (2) for midlevel practitioners agreeing to practice in designated rural areas or to teach
136.9 at least 12 credit hours, or 720 hours per year in the nursing field in a postsecondary program
136.10 at the undergraduate level or the equivalent at the graduate level;

136.11 (3) for nurses who agree to practice in a Minnesota nursing home; an intermediate care
136.12 facility for persons with developmental disability; a hospital if the hospital owns and operates
136.13 a Minnesota nursing home and a minimum of 50 percent of the hours worked by the nurse
136.14 is in the nursing home; a housing with services establishment as defined in section 144D.01,
136.15 subdivision 4; or for a home care provider as defined in section 144A.43, subdivision 4; or
136.16 agree to teach at least 12 credit hours, or 720 hours per year in the nursing field in a
136.17 postsecondary program at the undergraduate level or the equivalent at the graduate level;

136.18 (4) for other health care technicians agreeing to teach at least 12 credit hours, or 720
136.19 hours per year in their designated field in a postsecondary program at the undergraduate
136.20 level or the equivalent at the graduate level. The commissioner, in consultation with the
136.21 Healthcare Education-Industry Partnership, shall determine the health care fields where the
136.22 need is the greatest, including, but not limited to, respiratory therapy, clinical laboratory
136.23 technology, radiologic technology, and surgical technology;

136.24 (5) for pharmacists, advanced dental therapists, dental therapists, and public health nurses
136.25 who agree to practice in designated rural areas; and

136.26 (6) for dentists agreeing to deliver at least 25 percent of the dentist's yearly patient
136.27 encounters to state public program enrollees or patients receiving sliding fee schedule
136.28 discounts through a formal sliding fee schedule meeting the standards established by the
136.29 United States Department of Health and Human Services under Code of Federal Regulations,
136.30 title 42, section 51, chapter 303.

136.31 (b) Appropriations made to the account do not cancel and are available until expended,
136.32 except that at the end of each biennium, any remaining balance in the account that is not

137.1 committed by contract and not needed to fulfill existing commitments shall cancel to the
137.2 fund.

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

137.4 Sec. 24. Minnesota Statutes 2020, section 144.1501, subdivision 3, is amended to read:

137.5 Subd. 3. **Eligibility.** (a) To be eligible to participate in the loan forgiveness program, an
137.6 individual must:

137.7 (1) be a medical or dental resident; a licensed pharmacist; or be enrolled in a training or
137.8 education program to become a dentist, dental therapist, advanced dental therapist, mental
137.9 health professional, alcohol and drug counselor, pharmacist, public health nurse, midlevel
137.10 practitioner, registered nurse, or a licensed practical nurse. The commissioner may also
137.11 consider applications submitted by graduates in eligible professions who are licensed and
137.12 in practice; and

137.13 (2) submit an application to the commissioner of health.

137.14 (b) An applicant selected to participate must sign a contract to agree to serve a minimum
137.15 three-year full-time service obligation according to subdivision 2, which shall begin no later
137.16 than March 31 following completion of required training, with the exception of a nurse,
137.17 who must agree to serve a minimum two-year full-time service obligation according to
137.18 subdivision 2, which shall begin no later than March 31 following completion of required
137.19 training.

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

137.21 Sec. 25. Minnesota Statutes 2020, section 144.212, is amended by adding a subdivision
137.22 to read:

137.23 Subd. 12. **Homeless youth.** "Homeless youth" has the meaning given in section 256K.45,
137.24 subdivision 1a.

137.25 Sec. 26. Minnesota Statutes 2020, section 144.225, subdivision 2, is amended to read:

137.26 Subd. 2. **Data about births.** (a) Except as otherwise provided in this subdivision, data
137.27 pertaining to the birth of a child to a woman who was not married to the child's father when
137.28 the child was conceived nor when the child was born, including the original record of birth
137.29 and the certified vital record, are confidential data. At the time of the birth of a child to a
137.30 woman who was not married to the child's father when the child was conceived nor when

138.1 the child was born, the mother may designate demographic data pertaining to the birth as
 138.2 public. Notwithstanding the designation of the data as confidential, it may be disclosed:

138.3 (1) to a parent or guardian of the child;

138.4 (2) to the child when the child is 16 years of age or older, except as provided in clause

138.5 (3);

138.6 (3) to the child if the child is a homeless youth;

138.7 ~~(3)~~ (4) under paragraph (b), (e), or (f); or

138.8 ~~(4)~~ (5) pursuant to a court order. For purposes of this section, a subpoena does not
 138.9 constitute a court order.

138.10 (b) Unless the child is adopted, data pertaining to the birth of a child that are not accessible
 138.11 to the public become public data if 100 years have elapsed since the birth of the child who
 138.12 is the subject of the data, or as provided under section 13.10, whichever occurs first.

138.13 (c) If a child is adopted, data pertaining to the child's birth are governed by the provisions
 138.14 relating to adoption records, including sections 13.10, subdivision 5; 144.218, subdivision
 138.15 1; 144.2252; and 259.89.

138.16 (d) The name and address of a mother under paragraph (a) and the child's date of birth
 138.17 may be disclosed to the county social services, tribal health department, or public health
 138.18 member of a family services collaborative for purposes of providing services under section
 138.19 124D.23.

138.20 (e) The commissioner of human services shall have access to birth records for:

138.21 (1) the purposes of administering medical assistance and the MinnesotaCare program;

138.22 (2) child support enforcement purposes; and

138.23 (3) other public health purposes as determined by the commissioner of health.

138.24 (f) Tribal child support programs shall have access to birth records for child support
 138.25 enforcement purposes.

138.26 **Sec. 27. [144.2255] CERTIFIED BIRTH RECORD FOR HOMELESS YOUTH.**

138.27 **Subdivision 1. Application; certified birth record.** A subject of a birth record who is
 138.28 a homeless youth in Minnesota or another state may apply to the state registrar or a local
 138.29 issuance office for a certified birth record according to this section. The state registrar or
 138.30 local issuance office shall issue a certified birth record or statement of no vital record found
 138.31 to a subject of a birth record who submits:

- 139.1 (1) a completed application signed by the subject of the birth record;
- 139.2 (2) a statement that the subject of the birth record is a homeless youth, signed by the
- 139.3 subject of the birth record; and
- 139.4 (3) one of the following:
- 139.5 (i) a document of identity listed in Minnesota Rules, part 4601.2600, subpart 8, or, at
- 139.6 the discretion of the state registrar or local issuance office, Minnesota Rules, part 4601.2600,
- 139.7 subpart 9;
- 139.8 (ii) a statement that complies with Minnesota Rules, part 4601.2600, subparts 6 and 7;
- 139.9 or
- 139.10 (iii) a statement verifying that the subject of the birth record is a homeless youth that
- 139.11 complies with the requirements in subdivision 2 and is from an employee of a human services
- 139.12 agency that receives public funding to provide services to homeless youth, runaway youth,
- 139.13 youth with mental illness, or youth with substance use disorders; a school staff person who
- 139.14 provides services to homeless youth; or a school social worker.

139.15 Subd. 2. **Statement verifying subject is a homeless youth.** A statement verifying that

139.16 a subject of a birth record is a homeless youth must include:

- 139.17 (1) the following information regarding the individual providing the statement: first
- 139.18 name, middle name, if any, and last name; home or business address; telephone number, if
- 139.19 any; and e-mail address, if any;
- 139.20 (2) the first name, middle name, if any, and last name of the subject of the birth record;
- 139.21 and
- 139.22 (3) a statement specifying the relationship of the individual providing the statement to
- 139.23 the subject of the birth record and verifying that the subject of the birth record is a homeless
- 139.24 youth.
- 139.25 The individual providing the statement must also provide a copy of the individual's
- 139.26 employment identification.

139.27 Subd. 3. **Expiration; reissuance.** If a subject of a birth record obtains a certified birth

139.28 record under this section using the statement specified in subdivision 1, clause (3), item

139.29 (iii), the certified birth record issued shall expire six months after the date of issuance. Upon

139.30 expiration of the certified birth record, the subject of the birth record may surrender the

139.31 expired birth record to the state registrar or a local issuance office and obtain another birth

139.32 record. Each certified birth record obtained under this subdivision shall expire six months

140.1 after the date of issuance. If the subject of the birth record does not surrender the expired
140.2 birth record, the subject may apply for a certified birth record using the process in subdivision
140.3 1.

140.4 Subd. 4. **Data practices.** Data listed under subdivision 1, clauses (2) and (3), item (iii),
140.5 are private data on individuals.

140.6 **EFFECTIVE DATE.** This section is effective the day following final enactment for
140.7 applications for and the issuance of certified birth records on or after January 1, 2022.

140.8 Sec. 28. Minnesota Statutes 2020, section 144.226, is amended by adding a subdivision
140.9 to read:

140.10 Subd. 7. **Transaction fees.** The state registrar may charge and permit agents to charge
140.11 a convenience fee and a transaction fee for electronic transactions and transactions by
140.12 telephone or Internet, as well as the fees established under subdivisions 1 to 4. The
140.13 convenience fee may not exceed three percent of the cost of the charges for payment. The
140.14 state registrar may permit agents to charge and retain a transaction fee as payment agreed
140.15 upon under contract. When an electronic convenience fee or transaction fee is charged, the
140.16 agent charging the fee is required to post information on their web page informing individuals
140.17 of the fee. The information must be near the point of payment, clearly visible, include the
140.18 amount of the fee, and state: "This contracted agent is allowed by state law to charge a
140.19 convenience fee and transaction fee for this electronic transaction."

140.20 Sec. 29. Minnesota Statutes 2020, section 144.226, is amended by adding a subdivision
140.21 to read:

140.22 Subd. 8. **Birth record fees waived for homeless youth.** A subject of a birth record who
140.23 is a homeless youth shall not be charged any of the fees specified in this section for a certified
140.24 birth record or statement of no vital record found under section 144.2255.

140.25 **EFFECTIVE DATE.** This section is effective the day following final enactment for
140.26 applications for and the issuance of certified birth records on or after January 1, 2022.

140.27 Sec. 30. Minnesota Statutes 2020, section 144.551, subdivision 1, is amended to read:

140.28 Subdivision 1. **Restricted construction or modification.** (a) The following construction
140.29 or modification may not be commenced:

140.30 (1) any erection, building, alteration, reconstruction, modernization, improvement,
140.31 extension, lease, or other acquisition by or on behalf of a hospital that increases the bed

- 141.1 capacity of a hospital, relocates hospital beds from one physical facility, complex, or site
141.2 to another, or otherwise results in an increase or redistribution of hospital beds within the
141.3 state; and
- 141.4 (2) the establishment of a new hospital.
- 141.5 (b) This section does not apply to:
- 141.6 (1) construction or relocation within a county by a hospital, clinic, or other health care
141.7 facility that is a national referral center engaged in substantial programs of patient care,
141.8 medical research, and medical education meeting state and national needs that receives more
141.9 than 40 percent of its patients from outside the state of Minnesota;
- 141.10 (2) a project for construction or modification for which a health care facility held an
141.11 approved certificate of need on May 1, 1984, regardless of the date of expiration of the
141.12 certificate;
- 141.13 (3) a project for which a certificate of need was denied before July 1, 1990, if a timely
141.14 appeal results in an order reversing the denial;
- 141.15 (4) a project exempted from certificate of need requirements by Laws 1981, chapter 200,
141.16 section 2;
- 141.17 (5) a project involving consolidation of pediatric specialty hospital services within the
141.18 Minneapolis-St. Paul metropolitan area that would not result in a net increase in the number
141.19 of pediatric specialty hospital beds among the hospitals being consolidated;
- 141.20 (6) a project involving the temporary relocation of pediatric-orthopedic hospital beds to
141.21 an existing licensed hospital that will allow for the reconstruction of a new philanthropic,
141.22 pediatric-orthopedic hospital on an existing site and that will not result in a net increase in
141.23 the number of hospital beds. Upon completion of the reconstruction, the licenses of both
141.24 hospitals must be reinstated at the capacity that existed on each site before the relocation;
- 141.25 (7) the relocation or redistribution of hospital beds within a hospital building or
141.26 identifiable complex of buildings provided the relocation or redistribution does not result
141.27 in: (i) an increase in the overall bed capacity at that site; (ii) relocation of hospital beds from
141.28 one physical site or complex to another; or (iii) redistribution of hospital beds within the
141.29 state or a region of the state;
- 141.30 (8) relocation or redistribution of hospital beds within a hospital corporate system that
141.31 involves the transfer of beds from a closed facility site or complex to an existing site or
141.32 complex provided that: (i) no more than 50 percent of the capacity of the closed facility is
141.33 transferred; (ii) the capacity of the site or complex to which the beds are transferred does

142.1 not increase by more than 50 percent; (iii) the beds are not transferred outside of a federal
142.2 health systems agency boundary in place on July 1, 1983; ~~and~~ (iv) the relocation or
142.3 redistribution does not involve the construction of a new hospital building; and (v) the
142.4 transferred beds are used first to replace within the hospital corporate system the total number
142.5 of beds previously used in the closed facility site or complex for mental health services and
142.6 substance use disorder services. Only after the hospital corporate system has fulfilled the
142.7 requirements of this item may the remainder of the available capacity of the closed facility
142.8 site or complex be transferred for any other purpose;

142.9 (9) a construction project involving up to 35 new beds in a psychiatric hospital in Rice
142.10 County that primarily serves adolescents and that receives more than 70 percent of its
142.11 patients from outside the state of Minnesota;

142.12 (10) a project to replace a hospital or hospitals with a combined licensed capacity of
142.13 130 beds or less if: (i) the new hospital site is located within five miles of the current site;
142.14 and (ii) the total licensed capacity of the replacement hospital, either at the time of
142.15 construction of the initial building or as the result of future expansion, will not exceed 70
142.16 licensed hospital beds, or the combined licensed capacity of the hospitals, whichever is less;

142.17 (11) the relocation of licensed hospital beds from an existing state facility operated by
142.18 the commissioner of human services to a new or existing facility, building, or complex
142.19 operated by the commissioner of human services; from one regional treatment center site
142.20 to another; or from one building or site to a new or existing building or site on the same
142.21 campus;

142.22 (12) the construction or relocation of hospital beds operated by a hospital having a
142.23 statutory obligation to provide hospital and medical services for the indigent that does not
142.24 result in a net increase in the number of hospital beds, notwithstanding section 144.552, 27
142.25 beds, of which 12 serve mental health needs, may be transferred from Hennepin County
142.26 Medical Center to Regions Hospital under this clause;

142.27 (13) a construction project involving the addition of up to 31 new beds in an existing
142.28 nonfederal hospital in Beltrami County;

142.29 (14) a construction project involving the addition of up to eight new beds in an existing
142.30 nonfederal hospital in Otter Tail County with 100 licensed acute care beds;

142.31 (15) a construction project involving the addition of 20 new hospital beds in an existing
142.32 hospital in Carver County serving the southwest suburban metropolitan area;

143.1 (16) a project for the construction or relocation of up to 20 hospital beds for the operation
143.2 of up to two psychiatric facilities or units for children provided that the operation of the
143.3 facilities or units have received the approval of the commissioner of human services;

143.4 (17) a project involving the addition of 14 new hospital beds to be used for rehabilitation
143.5 services in an existing hospital in Itasca County;

143.6 (18) a project to add 20 licensed beds in existing space at a hospital in Hennepin County
143.7 that closed 20 rehabilitation beds in 2002, provided that the beds are used only for
143.8 rehabilitation in the hospital's current rehabilitation building. If the beds are used for another
143.9 purpose or moved to another location, the hospital's licensed capacity is reduced by 20 beds;

143.10 (19) a critical access hospital established under section 144.1483, clause (9), and section
143.11 1820 of the federal Social Security Act, United States Code, title 42, section 1395i-4, that
143.12 delicensed beds since enactment of the Balanced Budget Act of 1997, Public Law 105-33,
143.13 to the extent that the critical access hospital does not seek to exceed the maximum number
143.14 of beds permitted such hospital under federal law;

143.15 (20) notwithstanding section 144.552, a project for the construction of a new hospital
143.16 in the city of Maple Grove with a licensed capacity of up to 300 beds provided that:

143.17 (i) the project, including each hospital or health system that will own or control the entity
143.18 that will hold the new hospital license, is approved by a resolution of the Maple Grove City
143.19 Council as of March 1, 2006;

143.20 (ii) the entity that will hold the new hospital license will be owned or controlled by one
143.21 or more not-for-profit hospitals or health systems that have previously submitted a plan or
143.22 plans for a project in Maple Grove as required under section 144.552, and the plan or plans
143.23 have been found to be in the public interest by the commissioner of health as of April 1,
143.24 2005;

143.25 (iii) the new hospital's initial inpatient services must include, but are not limited to,
143.26 medical and surgical services, obstetrical and gynecological services, intensive care services,
143.27 orthopedic services, pediatric services, noninvasive cardiac diagnostics, behavioral health
143.28 services, and emergency room services;

143.29 (iv) the new hospital:

143.30 (A) will have the ability to provide and staff sufficient new beds to meet the growing
143.31 needs of the Maple Grove service area and the surrounding communities currently being
143.32 served by the hospital or health system that will own or control the entity that will hold the
143.33 new hospital license;

- 144.1 (B) will provide uncompensated care;
- 144.2 (C) will provide mental health services, including inpatient beds;
- 144.3 (D) will be a site for workforce development for a broad spectrum of health-care-related
144.4 occupations and have a commitment to providing clinical training programs for physicians
144.5 and other health care providers;
- 144.6 (E) will demonstrate a commitment to quality care and patient safety;
- 144.7 (F) will have an electronic medical records system, including physician order entry;
- 144.8 (G) will provide a broad range of senior services;
- 144.9 (H) will provide emergency medical services that will coordinate care with regional
144.10 providers of trauma services and licensed emergency ambulance services in order to enhance
144.11 the continuity of care for emergency medical patients; and
- 144.12 (I) will be completed by December 31, 2009, unless delayed by circumstances beyond
144.13 the control of the entity holding the new hospital license; and
- 144.14 (v) as of 30 days following submission of a written plan, the commissioner of health
144.15 has not determined that the hospitals or health systems that will own or control the entity
144.16 that will hold the new hospital license are unable to meet the criteria of this clause;
- 144.17 (21) a project approved under section 144.553;
- 144.18 (22) a project for the construction of a hospital with up to 25 beds in Cass County within
144.19 a 20-mile radius of the state Ah-Gwah-Ching facility, provided the hospital's license holder
144.20 is approved by the Cass County Board;
- 144.21 (23) a project for an acute care hospital in Fergus Falls that will increase the bed capacity
144.22 from 108 to 110 beds by increasing the rehabilitation bed capacity from 14 to 16 and closing
144.23 a separately licensed 13-bed skilled nursing facility;
- 144.24 (24) notwithstanding section 144.552, a project for the construction and expansion of a
144.25 specialty psychiatric hospital in Hennepin County for up to 50 beds, exclusively for patients
144.26 who are under 21 years of age on the date of admission. The commissioner conducted a
144.27 public interest review of the mental health needs of Minnesota and the Twin Cities
144.28 metropolitan area in 2008. No further public interest review shall be conducted for the
144.29 construction or expansion project under this clause;
- 144.30 (25) a project for a 16-bed psychiatric hospital in the city of Thief River Falls, if the
144.31 commissioner finds the project is in the public interest after the public interest review
144.32 conducted under section 144.552 is complete;

145.1 (26)(i) a project for a 20-bed psychiatric hospital, within an existing facility in the city
145.2 of Maple Grove, exclusively for patients who are under 21 years of age on the date of
145.3 admission, if the commissioner finds the project is in the public interest after the public
145.4 interest review conducted under section 144.552 is complete;

145.5 (ii) this project shall serve patients in the continuing care benefit program under section
145.6 256.9693. The project may also serve patients not in the continuing care benefit program;
145.7 and

145.8 (iii) if the project ceases to participate in the continuing care benefit program, the
145.9 commissioner must complete a subsequent public interest review under section 144.552. If
145.10 the project is found not to be in the public interest, the license must be terminated six months
145.11 from the date of that finding. If the commissioner of human services terminates the contract
145.12 without cause or reduces per diem payment rates for patients under the continuing care
145.13 benefit program below the rates in effect for services provided on December 31, 2015, the
145.14 project may cease to participate in the continuing care benefit program and continue to
145.15 operate without a subsequent public interest review;

145.16 (27) a project involving the addition of 21 new beds in an existing psychiatric hospital
145.17 in Hennepin County that is exclusively for patients who are under 21 years of age on the
145.18 date of admission; ~~or~~

145.19 (28) a project to add 55 licensed beds in an existing safety net, level I trauma center
145.20 hospital in Ramsey County as designated under section 383A.91, subdivision 5, of which
145.21 15 beds are to be used for inpatient mental health and 40 are to be used for other services.
145.22 In addition, five unlicensed observation mental health beds shall be added;

145.23 (29) upon submission of a plan to the commissioner for public interest review under
145.24 section 144.552 and the addition of the 15 inpatient mental health beds specified in clause
145.25 (28), to its bed capacity, a project to add 45 licensed beds in an existing safety net, level I
145.26 trauma center hospital in Ramsey County as designated under section 383A.91, subdivision
145.27 5. Five of the 45 additional beds authorized under this clause must be designated for use
145.28 for inpatient mental health and must be added to the hospital's bed capacity before the
145.29 remaining 40 beds are added. Notwithstanding section 144.552, the hospital may add licensed
145.30 beds under this clause prior to completion of the public interest review, provided the hospital
145.31 submits its plan by the 2021 deadline and adheres to the timelines for the public interest
145.32 review described in section 144.552; or

145.33 (30) upon submission of a plan to the commissioner for public interest review under
145.34 section 144.552, a project to add up to 30 licensed beds in an existing psychiatric hospital

146.1 in Hennepin County that exclusively provides care to patients who are under 21 years of
146.2 age on the date of admission. Notwithstanding section 144.552, the psychiatric hospital
146.3 may add licensed beds under this clause prior to completion of the public interest review,
146.4 provided the hospital submits its plan by the 2021 deadline and adheres to the timelines for
146.5 the public interest review described in section 144.552.

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

146.7 Sec. 31. Minnesota Statutes 2020, section 144.555, is amended to read:

146.8 **144.555 HOSPITAL FACILITY OR CAMPUS CLOSINGS, RELOCATING**
146.9 **SERVICES, OR CEASING TO OFFER CERTAIN SERVICES; PATIENT**
146.10 **RELOCATIONS.**

146.11 Subdivision 1. **Notice of closing or curtailing service operations; facilities other than**
146.12 **hospitals.** If a facility licensed under sections 144.50 to 144.56, other than a hospital,
146.13 voluntarily plans to cease operations or to curtail operations to the extent that patients or
146.14 residents must be relocated, the controlling persons of the facility must notify the
146.15 commissioner of health at least 90 days before the scheduled cessation or curtailment. The
146.16 commissioner shall cooperate with the controlling persons and advise them about relocating
146.17 the patients or residents.

146.18 Subd. 1a. **Notice of closing, curtailing operations, relocating services, or ceasing to**
146.19 **offer certain services; hospitals.** (a) The controlling persons of a hospital licensed under
146.20 sections 144.50 to 144.56 or a hospital campus must notify the commissioner of health and
146.21 the public at least 120 days before the hospital or hospital campus voluntarily plans to
146.22 implement one of the following scheduled actions:

146.23 (1) cease operations;

146.24 (2) curtail operations to the extent that patients must be relocated;

146.25 (3) relocate the provision of health services to another hospital or another hospital
146.26 campus; or

146.27 (4) cease offering maternity care and newborn care services, intensive care unit services,
146.28 inpatient mental health services, or inpatient substance use disorder treatment services.

146.29 (b) The commissioner shall cooperate with the controlling persons and advise them
146.30 about relocating the patients.

146.31 Subd. 1b. **Public hearing.** Within 45 days after receiving notice under subdivision 1a,
146.32 the commissioner shall conduct a public hearing on the scheduled cessation of operations,

147.1 curtailment of operations, relocation of health services, or cessation in offering health
147.2 services. The commissioner must provide adequate public notice of the hearing in a time
147.3 and manner determined by the commissioner. The controlling persons of the hospital or
147.4 hospital campus must participate in the public hearing. The public hearing must include:

147.5 (1) an explanation by the controlling persons of the reasons for ceasing or curtailing
147.6 operations, relocating health services, or ceasing to offer any of the listed health services;

147.7 (2) a description of the actions that controlling persons will take to ensure that residents
147.8 in the hospital's or campus's service area have continued access to the health services being
147.9 eliminated, curtailed, or relocated;

147.10 (3) an opportunity for public testimony on the scheduled cessation or curtailment of
147.11 operations, relocation of health services, or cessation in offering any of the listed health
147.12 services, and on the hospital's or campus's plan to ensure continued access to those health
147.13 services being eliminated, curtailed, or relocated; and

147.14 (4) an opportunity for the controlling persons to respond to questions from interested
147.15 persons.

147.16 Subd. 1c. **Exceptions.** (a) Notwithstanding the time period in subdivision 1a by which
147.17 notice must be provided to the commissioner and the public, the controlling persons of a
147.18 hospital or hospital campus must notify the commissioner of health and the public as soon
147.19 as practicable after deciding to take an action listed in subdivision 1a, paragraph (a), if the
147.20 action is caused by:

147.21 (1) a natural disaster or other emergency; or

147.22 (2) an inability of the hospital to provide health services according to the applicable
147.23 standard of care due to the hospital's inability to retain or secure essential staff after
147.24 reasonable effort.

147.25 (b) Notwithstanding the time period in subdivision 1b by which a public hearing must
147.26 be held, the commissioner must hold a public hearing according to subdivision 1b as soon
147.27 as practicable after the controlling persons of the hospital or hospital campus governed by
147.28 this subdivision decide to take the action.

147.29 Subd. 2. **Penalty.** Failure to notify the commissioner under subdivision 1, 1a, or 1c or
147.30 failure to participate in a public hearing under subdivision 1b may result in issuance of a
147.31 correction order under section 144.653, subdivision 5.

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

148.1 Sec. 32. Minnesota Statutes 2020, section 144.9501, subdivision 17, is amended to read:

148.2 Subd. 17. **Lead hazard reduction.** "Lead hazard reduction" means abatement or interim
148.3 controls undertaken to make a residence, child care facility, school, ~~or~~ playground, or other
148.4 location where lead hazards are identified lead-safe by complying with the lead standards
148.5 and methods adopted under section 144.9508.

148.6 Sec. 33. Minnesota Statutes 2020, section 144.9502, subdivision 3, is amended to read:

148.7 Subd. 3. **Reports of blood lead analysis required.** (a) Every hospital, medical clinic,
148.8 medical laboratory, other facility, or individual performing blood lead analysis shall report
148.9 the results after the analysis of each specimen analyzed, for both capillary and venous
148.10 specimens, and epidemiologic information required in this section to the commissioner of
148.11 health, within the time frames set forth in clauses (1) and (2):

148.12 (1) within two working days by telephone, fax, or electronic transmission as prescribed
148.13 by the commissioner, with written or electronic confirmation within one month as prescribed
148.14 by the commissioner, for a venous blood lead level equal to or greater than 15 micrograms
148.15 of lead per deciliter of whole blood; or

148.16 (2) within one month in writing or by electronic transmission as prescribed by the
148.17 commissioner, for any capillary result or for a venous blood lead level less than 15
148.18 micrograms of lead per deciliter of whole blood.

148.19 (b) If a blood lead analysis is performed outside of Minnesota and the facility performing
148.20 the analysis does not report the blood lead analysis results and epidemiological information
148.21 required in this section to the commissioner, the provider who collected the blood specimen
148.22 must satisfy the reporting requirements of this section. For purposes of this section, "provider"
148.23 has the meaning given in section 62D.02, subdivision 9.

148.24 (c) The commissioner shall coordinate with hospitals, medical clinics, medical
148.25 laboratories, and other facilities performing blood lead analysis to develop a universal
148.26 reporting form and mechanism.

148.27 Sec. 34. Minnesota Statutes 2020, section 144.9504, subdivision 2, is amended to read:

148.28 Subd. 2. **Lead risk assessment.** (a) Notwithstanding section 144.9501, subdivision 6a,
148.29 for purposes of this subdivision, "child" means an individual under 18 years of age.

148.30 (b) An assessing agency shall conduct a lead risk assessment of a residence, residential
148.31 or commercial child care facility, playground, school, or other location where lead hazards

149.1 are suspected according to the venous blood lead level and time frame set forth in clauses
149.2 (1) to (4) for purposes of secondary prevention:

149.3 (1) within 48 hours of a child or pregnant female in the residence, residential or
149.4 commercial child care facility, playground, school, or other location where lead hazards are
149.5 suspected being identified to the agency as having a venous blood lead level equal to or
149.6 greater than 60 micrograms of lead per deciliter of whole blood;

149.7 (2) within five working days of a child or pregnant female in the residence, residential
149.8 or commercial child care facility, playground, school, or other location where lead hazards
149.9 are suspected being identified to the agency as having a venous blood lead level equal to
149.10 or greater than 45 micrograms of lead per deciliter of whole blood;

149.11 ~~(3) within ten working days of a child in the residence being identified to the agency as~~
149.12 ~~having a venous blood lead level equal to or greater than 15 micrograms of lead per deciliter~~
149.13 ~~of whole blood; or~~

149.14 ~~(4)~~ (3) within ten working days of a child or pregnant female in the residence, residential
149.15 or commercial child care facility, playground, school, or other location where lead hazards
149.16 are suspected being identified to the agency as having a venous blood lead level equal to
149.17 or greater than ten micrograms of lead per deciliter of whole blood; or

149.18 (4) within 20 working days of a child or pregnant female in the residence, residential or
149.19 commercial child care facility, playground, school, or other location where lead hazards are
149.20 suspected being identified to the agency as having a venous blood lead level equal to or
149.21 greater than five micrograms per deciliter of whole blood.

149.22 An assessing agency may refer investigations at sites other than the child's or pregnant
149.23 female's residence to the commissioner.

149.24 ~~(b)~~ (c) Within the limits of available local, state, and federal appropriations, an assessing
149.25 agency may also conduct a lead risk assessment for children with any elevated blood lead
149.26 level.

149.27 ~~(e)~~ (d) In a building with two or more dwelling units, an assessing agency shall assess
149.28 the individual unit in which the conditions of this section are met and shall inspect all
149.29 common areas accessible to a child. If a child visits one or more other sites such as another
149.30 residence, or a residential or commercial child care facility, playground, or school, the
149.31 assessing agency shall also inspect the other sites. The assessing agency shall have one
149.32 additional day added to the time frame set forth in this subdivision to complete the lead risk
149.33 assessment for each additional site.

150.1 ~~(d)~~(e) Within the limits of appropriations, the assessing agency shall identify the known
150.2 addresses for the previous 12 months of the child or pregnant female with venous blood
150.3 lead levels of at least 15 micrograms per deciliter for the child or at least ten micrograms
150.4 per deciliter for the pregnant female; notify the property owners, landlords, and tenants at
150.5 those addresses that an elevated blood lead level was found in a person who resided at the
150.6 property; and give them primary prevention information. Within the limits of appropriations,
150.7 the assessing agency may perform a risk assessment and issue corrective orders in the
150.8 properties, if it is likely that the previous address contributed to the child's or pregnant
150.9 female's blood lead level. The assessing agency shall provide the notice required by this
150.10 subdivision without identifying the child or pregnant female with the elevated blood lead
150.11 level. The assessing agency is not required to obtain the consent of the child's parent or
150.12 guardian or the consent of the pregnant female for purposes of this subdivision. This
150.13 information shall be classified as private data on individuals as defined under section 13.02,
150.14 subdivision 12.

150.15 ~~(e)~~(f) The assessing agency shall conduct the lead risk assessment according to rules
150.16 adopted by the commissioner under section 144.9508. An assessing agency shall have lead
150.17 risk assessments performed by lead risk assessors licensed by the commissioner according
150.18 to rules adopted under section 144.9508. If a property owner refuses to allow a lead risk
150.19 assessment, the assessing agency shall begin legal proceedings to gain entry to the property
150.20 and the time frame for conducting a lead risk assessment set forth in this subdivision no
150.21 longer applies. A lead risk assessor or assessing agency may observe the performance of
150.22 lead hazard reduction in progress and shall enforce the provisions of this section under
150.23 section 144.9509. Deteriorated painted surfaces, bare soil, and dust must be tested with
150.24 appropriate analytical equipment to determine the lead content, except that deteriorated
150.25 painted surfaces or bare soil need not be tested if the property owner agrees to engage in
150.26 lead hazard reduction on those surfaces. The lead content of drinking water must be measured
150.27 if another probable source of lead exposure is not identified. Within a standard metropolitan
150.28 statistical area, an assessing agency may order lead hazard reduction of bare soil without
150.29 measuring the lead content of the bare soil if the property is in a census tract in which soil
150.30 sampling has been performed according to rules established by the commissioner and at
150.31 least 25 percent of the soil samples contain lead concentrations above the standard in section
150.32 144.9508.

150.33 ~~(f)~~(g) Each assessing agency shall establish an administrative appeal procedure which
150.34 allows a property owner to contest the nature and conditions of any lead order issued by
150.35 the assessing agency. Assessing agencies must consider appeals that propose lower cost

151.1 methods that make the residence lead safe. The commissioner shall use the authority and
 151.2 appeal procedure granted under sections 144.989 to 144.993.

151.3 ~~(g)~~ (h) Sections 144.9501 to 144.9512 neither authorize nor prohibit an assessing agency
 151.4 from charging a property owner for the cost of a lead risk assessment.

151.5 Sec. 35. Minnesota Statutes 2020, section 144.9504, subdivision 5, is amended to read:

151.6 Subd. 5. **Lead orders.** (a) An assessing agency, after conducting a lead risk assessment,
 151.7 shall order a property owner to perform lead hazard reduction on all lead sources that exceed
 151.8 a standard adopted according to section 144.9508. If lead risk assessments and lead orders
 151.9 are conducted at times when weather or soil conditions do not permit the lead risk assessment
 151.10 or lead hazard reduction, external surfaces and soil lead shall be assessed, and lead orders
 151.11 complied with, if necessary, at the first opportunity that weather and soil conditions allow.

151.12 (b) If, after conducting a lead risk assessment, an assessing agency determines that the
 151.13 property owner's lead hazard originated from another source location, the assessing agency
 151.14 may order the responsible person of the source location to:

151.15 (1) perform lead hazard reduction at the site where the assessing agency conducted the
 151.16 lead risk assessment; and

151.17 (2) remediate the conditions at the source location that allowed the lead hazard, pollutant,
 151.18 or contaminant to migrate from the source location.

151.19 (c) For purposes of this subdivision, "pollutant or contaminant" has the meaning given
 151.20 in section 115B.02, subdivision 13, and "responsible person" has the meaning given in
 151.21 section 115B.03.

151.22 ~~(b)~~ (d) If the paint standard under section 144.9508 is violated, but the paint is intact,
 151.23 the assessing agency shall not order the paint to be removed unless the intact paint is a
 151.24 known source of actual lead exposure to a specific person. Before the assessing agency may
 151.25 order the intact paint to be removed, a reasonable effort must be made to protect the child
 151.26 and preserve the intact paint by the use of guards or other protective devices and methods.

151.27 ~~(e)~~ (e) Whenever windows and doors or other components covered with deteriorated
 151.28 lead-based paint have sound substrate or are not rotting, those components should be repaired,
 151.29 sent out for stripping or planed down to remove deteriorated lead-based paint, or covered
 151.30 with protective guards instead of being replaced, provided that such an activity is the least
 151.31 cost method. However, a property owner who has been ordered to perform lead hazard
 151.32 reduction may choose any method to address deteriorated lead-based paint on windows,

152.1 doors, or other components, provided that the method is approved in rules adopted under
152.2 section 144.9508 and that it is appropriate to the specific property.

152.3 ~~(d)~~ (f) Lead orders must require that any source of damage, such as leaking roofs,
152.4 plumbing, and windows, be repaired or replaced, as needed, to prevent damage to
152.5 lead-containing interior surfaces.

152.6 ~~(e)~~ (g) The assessing agency is not required to pay for lead hazard reduction. The
152.7 assessing agency shall enforce the lead orders issued to a property owner under this section.

152.8 Sec. 36. Minnesota Statutes 2020, section 145.32, subdivision 1, is amended to read:

152.9 Subdivision 1. **Hospital records.** The superintendent or other chief administrative officer
152.10 of any public or private hospital, by and with the consent and approval of the board of
152.11 directors or other governing body of the hospital, may divest the files and records of that
152.12 hospital of any individual case records and, with that consent and approval, may destroy
152.13 the records. The records shall first have been transferred and recorded as authorized in
152.14 section 145.30.

152.15 Portions of individual hospital medical records that comprise an individual permanent
152.16 medical record, as defined by the commissioner of health, shall be retained as authorized
152.17 in section 145.30. Other portions of the individual medical record, including any
152.18 miscellaneous documents, papers, and correspondence in connection with them, may be
152.19 divested and destroyed after seven years without transfer to photographic film, electronic
152.20 image, or other state-of-the-art electronic preservation technology.

152.21 All portions of individual hospital medical records of minors shall be maintained for
152.22 seven years ~~following the age of majority~~ or until the patient reaches the age of majority,
152.23 whichever occurs last, at which time the patient may request that the patient's hospital
152.24 records be destroyed, unless the hospital is required to retain the records as part of the
152.25 individual's permanent medical record as defined in accordance with subdivision 2.

152.26 Nothing in this section shall be construed to prohibit the retention of hospital medical
152.27 records beyond the periods described in this section. Nor shall anything in this section be
152.28 construed to prohibit patient access to hospital medical records as provided in sections
152.29 144.291 to 144.298.

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

153.1 Sec. 37. Minnesota Statutes 2020, section 145.901, subdivision 2, is amended to read:

153.2 Subd. 2. **Access to data.** (a) The commissioner of health has access to medical data as
153.3 defined in section 13.384, subdivision 1, paragraph (b), medical examiner data as defined
153.4 in section 13.83, subdivision 1, and health records created, maintained, or stored by providers
153.5 as defined in section 144.291, subdivision 2, paragraph ~~(b)~~ (c), without the consent of the
153.6 subject of the data, and without the consent of the parent, spouse, other guardian, or legal
153.7 representative of the subject of the data, when the subject of the data is a woman who died
153.8 during a pregnancy or within 12 months of a fetal death, a live birth, or other termination
153.9 of a pregnancy.

153.10 The commissioner has access only to medical data and health records related to deaths
153.11 that occur on or after July 1, 2000, including the names of the providers, clinics, or other
153.12 health services such as family home visiting programs; the women, infants, and children
153.13 (WIC) program; prescription monitoring programs; and behavioral health services, where
153.14 care was received before, during, or related to the pregnancy or death. The commissioner
153.15 has access to records maintained by a medical examiner, a coroner, or hospitals or to hospital
153.16 discharge data, for the purpose of providing the name and location of any pre-pregnancy,
153.17 prenatal, or other care received by the subject of the data up to one year after the end of the
153.18 pregnancy.

153.19 (b) The provider or responsible authority that creates, maintains, or stores the data shall
153.20 furnish the data upon the request of the commissioner. The provider or responsible authority
153.21 may charge a fee for providing the data, not to exceed the actual cost of retrieving and
153.22 duplicating the data.

153.23 (c) The commissioner shall make a good faith reasonable effort to notify the parent,
153.24 spouse, other guardian, or legal representative of the subject of the data before collecting
153.25 data on the subject. For purposes of this paragraph, "reasonable effort" means one notice
153.26 is sent by certified mail to the last known address of the parent, spouse, guardian, or legal
153.27 representative informing the recipient of the data collection and offering a public health
153.28 nurse support visit if desired.

153.29 (d) The commissioner does not have access to coroner or medical examiner data that
153.30 are part of an active investigation as described in section 13.83.

153.31 (e) The commissioner may request and receive from a coroner or medical examiner the
153.32 name of the health care provider that provided prenatal, postpartum, or other health services
153.33 to the subject of the data.

154.1 (f) The commissioner may access Department of Human Services data to identify sources
154.2 of care and services to assist with the evaluation of welfare systems, including housing, to
154.3 reduce preventable maternal deaths.

154.4 (g) The commissioner may request and receive law enforcement reports or incident
154.5 reports related to the subject of the data.

154.6 Sec. 38. Minnesota Statutes 2020, section 145.901, subdivision 4, is amended to read:

154.7 **Subd. 4. Classification of data.** (a) Data provided to the commissioner from source
154.8 records under subdivision 2, including identifying information on individual providers, data
154.9 subjects, or their children, and data derived by the commissioner under subdivision 3 for
154.10 the purpose of carrying out maternal death studies, are classified as confidential data on
154.11 individuals or confidential data on decedents, as defined in sections 13.02, subdivision 3,
154.12 and 13.10, subdivision 1, paragraph (a).

154.13 (b) Information classified under paragraph (a) shall not be subject to discovery or
154.14 introduction into evidence in any administrative, civil, or criminal proceeding. Such
154.15 information otherwise available from an original source shall not be immune from discovery
154.16 or barred from introduction into evidence merely because it was utilized by the commissioner
154.17 in carrying out maternal death studies.

154.18 (c) Summary data on maternal death studies created by the commissioner, which does
154.19 not identify individual data subjects or individual providers, shall be public in accordance
154.20 with section 13.05, subdivision 7.

154.21 (d) Data provided by the commissioner of human services to the commissioner of health
154.22 under this section retain the same classification the data held when retained by the
154.23 commissioner of human services, as required under section 13.03, subdivision 4, paragraph
154.24 (c).

154.25 Sec. 39. Minnesota Statutes 2020, section 145.901, is amended by adding a subdivision
154.26 to read:

154.27 **Subd. 5. Maternal Mortality Review Committee.** (a) The commissioner of health shall
154.28 convene a Maternal Mortality Review Committee to conduct maternal death study reviews,
154.29 make recommendations, and publicly share summary information. The commissioner shall
154.30 appoint members to the review committee, and membership may include but is not limited
154.31 to medical examiners or coroners, representatives of health care institutions that provide
154.32 care to pregnant women, obstetric and midwifery practitioners, Medicaid representatives,

155.1 representatives of state agencies, individuals from communities with disparate rates of
155.2 maternal mortality, and other subject matter experts as appropriate. Committee membership
155.3 shall not exceed 25 members. The review committee shall review data from source records
155.4 obtained under subdivision 2, other than data identifying the subject or the provider.

155.5 (b) A person attending a Maternal Mortality Review Committee meeting shall not disclose
155.6 what transpired at the meeting, except as necessary to carry out the purposes of the review
155.7 committee. The proceedings and records of the review committee are protected nonpublic
155.8 data as defined in section 13.02, subdivision 13. Discovery and introduction into evidence
155.9 in legal proceedings of case review committee proceedings and records, and testimony in
155.10 legal proceedings by review committee members and persons presenting information to the
155.11 review committee, shall occur in compliance with the requirements in section 256.01,
155.12 subdivision 12, paragraph (e).

155.13 Sec. 40. Minnesota Statutes 2020, section 171.07, is amended by adding a subdivision to
155.14 read:

155.15 Subd. 3b. **Identification card for homeless youth.** (a) A homeless youth, as defined in
155.16 section 256K.45, subdivision 1a, who meets the requirements of this subdivision may obtain
155.17 a noncompliant identification card, notwithstanding section 171.06, subdivision 3.

155.18 (b) An applicant under this subdivision must:

155.19 (1) provide the applicant's full name, date of birth, and sex;

155.20 (2) provide the applicant's height in feet and inches, weight in pounds, and eye color;

155.21 (3) submit a certified copy of a birth certificate issued by a government bureau of vital
155.22 statistics or equivalent agency in the applicant's state of birth, which must bear the raised
155.23 or authorized seal of the issuing government entity; and

155.24 (4) submit a statement verifying that the applicant is a homeless youth who resides in
155.25 Minnesota that is signed by:

155.26 (i) an employee of a human services agency receiving public funding to provide services
155.27 to homeless youth, runaway youth, youth with mental illness, or youth with substance use
155.28 disorders; or

155.29 (ii) staff at a school who provide services to homeless youth or a school social worker.

155.30 (c) For a noncompliant identification card under this subdivision:

155.31 (1) the commissioner must not impose a fee, surcharge, or filing fee under section 171.06,
155.32 subdivision 2; and

156.1 (2) a driver's license agent must not impose a filing fee under section 171.061, subdivision
156.2 4.

156.3 (d) Minnesota Rules, parts 7410.0400 and 7410.0410, or successor rules, do not apply
156.4 for an identification card under this subdivision.

156.5 **EFFECTIVE DATE.** This section is effective the day following final enactment for
156.6 application and issuance of Minnesota identification cards on and after January 1, 2022.

156.7 Sec. 41. Minnesota Statutes 2020, section 256B.0625, subdivision 52, is amended to read:

156.8 Subd. 52. **Lead risk assessments.** (a) Effective October 1, 2007, or six months after
156.9 federal approval, whichever is later, medical assistance covers lead risk assessments provided
156.10 by a lead risk assessor who is licensed by the commissioner of health under section 144.9505
156.11 and employed by an assessing agency as defined in section 144.9501. Medical assistance
156.12 covers a onetime on-site investigation of a recipient's home or primary residence to determine
156.13 the existence of lead so long as the recipient is under the age of 21 and has a venous blood
156.14 lead level specified in section 144.9504, subdivision 2, paragraph ~~(a)~~ (b).

156.15 (b) Medical assistance reimbursement covers the lead risk assessor's time to complete
156.16 the following activities:

156.17 (1) gathering samples;

156.18 (2) interviewing family members;

156.19 (3) gathering data, including meter readings; and

156.20 (4) providing a report with the results of the investigation and options for reducing
156.21 lead-based paint hazards.

156.22 Medical assistance coverage of lead risk assessment does not include testing of
156.23 environmental substances such as water, paint, or soil or any other laboratory services.

156.24 Medical assistance coverage of lead risk assessments is not included in the capitated services
156.25 for children enrolled in health plans through the prepaid medical assistance program and
156.26 the MinnesotaCare program.

156.27 (c) Payment for lead risk assessment must be cost-based and must meet the criteria for
156.28 federal financial participation under the Medicaid program. The rate must be based on
156.29 allowable expenditures from cost information gathered. Under section 144.9507, subdivision
156.30 5, federal medical assistance funds may not replace existing funding for lead-related activities.
156.31 The nonfederal share of costs for services provided under this subdivision must be from
156.32 state or local funds and is the responsibility of the agency providing the risk assessment.

157.1 When the risk assessment is conducted by the commissioner of health, the state share must
 157.2 be from appropriations to the commissioner of health for this purpose. Eligible expenditures
 157.3 for the nonfederal share of costs may not be made from federal funds or funds used to match
 157.4 other federal funds. Any federal disallowances are the responsibility of the agency providing
 157.5 risk assessment services.

157.6 **Sec. 42. RECOMMENDATIONS ON EXPANDING ACCESS TO DATA IN**
 157.7 **ALL-PAYER CLAIMS DATABASE.**

157.8 The commissioner of health shall develop recommendations to expand access to data
 157.9 in the all-payer claims database under Minnesota Statutes, section 62U.04, to additional
 157.10 outside entities for public health or research purposes. In the recommendations, the
 157.11 commissioner must address an application process for outside entities to access the data,
 157.12 how the department will exercise ongoing oversight over data use by outside entities,
 157.13 purposes for which outside entities may use the data, establishment of a data access
 157.14 committee to advise the department on selecting outside entities permitted to access the
 157.15 data, steps outside entities must take to protect data held by outside entities from unauthorized
 157.16 use, and whether and how data released to outside entities may identify health care facilities,
 157.17 practices, and professionals. The commissioner, in consultation with the commissioner of
 157.18 human services, may also address whether the state should participate in a state-university
 157.19 partnership or network to promote research using Medicaid data. In developing the
 157.20 recommendations, the commissioner must examine best practices of other states regarding
 157.21 access to and uses of data in all-payer claims databases. The commissioner shall submit
 157.22 preliminary recommendations by December 15, 2021, and final recommendations and
 157.23 proposed amendments to statutes by December 15, 2022, to the chairs and ranking minority
 157.24 members of the legislative committees with jurisdiction over health policy and civil law.

157.25 **Sec. 43. HEALTH PROFESSIONAL EDUCATION LOAN FORGIVENESS**
 157.26 **PROGRAM; TEMPORARY ADDITION OF CERTAIN PROVIDERS.**

157.27 Subdivision 1. Definitions. (a) For purposes of this section, the following definitions
 157.28 apply.

157.29 (b) "Alcohol and drug counselor" means an individual who is licensed as an alcohol and
 157.30 drug counselor under Minnesota Statutes, chapter 148F.

157.31 (c) "Medical resident" and "mental health professional" have the meanings given in
 157.32 Minnesota Statutes, section 144.1501, subdivision 1.

158.1 Subd. 2. **Loan forgiveness.** Notwithstanding any provision to the contrary in Minnesota
158.2 Statutes, section 144.1501, subdivision 2 or 4, the commissioner of health may award grants
158.3 under the health professional education loan forgiveness program under Minnesota Statutes,
158.4 section 144.1501, to alcohol and drug counselors, medical residents, and mental health
158.5 professionals:

158.6 (1) agreeing to deliver at least 25 percent of their yearly patient encounters to state public
158.7 program enrollees or patients receiving sliding fee schedule discounts through a formal
158.8 sliding fee schedule meeting the standards established by the United States Department of
158.9 Health and Human Services under Code of Federal Regulations, title 42, section 51, chapter
158.10 303; or

158.11 (2) specializing in the area of pediatric psychiatry and agreeing to deliver at least 25
158.12 percent of their yearly patient encounters to state public program enrollees or patients
158.13 receiving sliding fee schedule discounts through a formal sliding fee schedule meeting the
158.14 standards established by the United States Department of Health and Human Services under
158.15 Code of Federal Regulations, title 42, section 51, chapter 303.

158.16 Subd. 3. **Expiration.** This section expires June 30, 2025.

158.17 Sec. 44. **MENTAL HEALTH CULTURAL COMMUNITY CONTINUING**
158.18 **EDUCATION GRANT PROGRAM.**

158.19 The commissioner of health shall develop a grant program, in consultation with the
158.20 relevant mental health licensing boards, to provide for the continuing education necessary
158.21 for social workers, marriage and family therapists, psychologists, and professional clinical
158.22 counselors to become supervisors for individuals pursuing licensure in mental health
158.23 professions. Social workers, marriage and family therapists, psychologists, and professional
158.24 clinical counselors obtaining continuing education under this section must:

158.25 (1) be members of communities of color or underrepresented communities as defined
158.26 in Minnesota Statutes, section 148E.010, subdivision 20; and

158.27 (2) work for community mental health providers and agree to deliver at least 25 percent
158.28 of their yearly patient encounters to state public program enrollees or patients receiving
158.29 sliding fee schedule discounts through a formal sliding fee schedule meeting the standards
158.30 established by the United States Department of Health and Human Services under Code of
158.31 Federal Regulations, title 42, section 51, chapter 303.

159.1 **Sec. 45. PUBLIC HEALTH INFRASTRUCTURE FUNDS.**

159.2 **Subdivision 1. Uses of funds.** The commissioner of health, with guidance from the State
159.3 Community Health Services Advisory Committee established under Minnesota Statutes,
159.4 section 145A.04, subdivision 15, shall provide funds to community health boards and Tribal
159.5 governments for projects to build foundational public health capacity across the state,
159.6 improve public health services to underserved populations, pilot new organizational models
159.7 for providing public health services including multijurisdictional partnerships, or otherwise
159.8 improve the state's public health system so that it satisfies national standards, including
159.9 standards for health equity.

159.10 **Subd. 2. Distribution of funds.** The commissioner shall work with the State Community
159.11 Health Services Advisory Committee to determine the process for distributing funds under
159.12 this section. Community health boards and Tribal governments may be jointly funded under
159.13 this section.

159.14 **Subd. 3. Evaluation and reporting.** A community health board, Tribal government, or
159.15 multijurisdictional unit receiving funds under this section shall report to the commissioner
159.16 data specified by the commissioner for evaluation of the program.

159.17 **Subd. 4. No supplantation of current expenditures.** Funds received under this section
159.18 must be used to supplement and not supplant current county or Tribal expenditures for
159.19 public health purposes.

159.20 **Subd. 5. Oversight.** The commissioner shall assess the capacity of the public health
159.21 system and oversee improvement efforts conducted with funds under this section.

159.22 **Subd. 6. Recommendations on changes to organization and funding of public health**
159.23 **system.** By February 1, 2023, the commissioner shall develop and provide to the chairs and
159.24 ranking minority members of the legislative committees with jurisdiction over public health
159.25 recommendations on changes to the organization and funding of Minnesota's public health
159.26 system.

159.27 **Sec. 46. REVISOR INSTRUCTIONS.**

159.28 (a) The revisor of statutes shall amend the section headnote for Minnesota Statutes,
159.29 section 62J.63, to read "HEALTH CARE PURCHASING AND PERFORMANCE
159.30 MEASUREMENT."

159.31 (b) If the fee to support the newborn screening program is increased in accordance with
159.32 Minnesota Statutes, section 144.064, subdivision 3, paragraph (d), the revisor of statutes

160.1 shall update Minnesota Statutes, section 144.125, subdivision 1, paragraph (c), to include
160.2 the revised per-specimen fee.

160.3 Sec. 47. **REPEALER.**

160.4 Minnesota Statutes 2020, sections 62J.63, subdivision 3; 144.0721, subdivision 1;
160.5 144.0722; 144.0724, subdivision 10; and 144.693, are repealed.

160.6 **ARTICLE 4**

160.7 **HEALTH-RELATED LICENSING BOARDS**

160.8 Section 1. Minnesota Statutes 2020, section 148.90, subdivision 2, is amended to read:

160.9 Subd. 2. **Members.** (a) The members of the board shall:

160.10 (1) be appointed by the governor;

160.11 (2) be residents of the state;

160.12 (3) serve for not more than two consecutive terms;

160.13 (4) designate the officers of the board; and

160.14 (5) administer oaths pertaining to the business of the board.

160.15 (b) A public member of the board shall represent the public interest and shall not:

160.16 (1) be a psychologist or have engaged in the practice of psychology;

160.17 (2) be an applicant or former applicant for licensure;

160.18 (3) be a member of another health profession and be licensed by a health-related licensing
160.19 board as defined under section 214.01, subdivision 2; the commissioner of health; or licensed,
160.20 certified, or registered by another jurisdiction;

160.21 (4) be a member of a household that includes a psychologist; or

160.22 (5) have conflicts of interest or the appearance of conflicts with duties as a board member.

160.23 (c) At the time of their appointments, at least two members of the board must reside
160.24 outside of the seven-county metropolitan area.

160.25 (d) At the time of their appointments, at least two members of the board must be members
160.26 of:

160.27 (1) a community of color; or

161.1 (2) an underrepresented community, defined as a group that is not represented in the
 161.2 majority with respect to race, ethnicity, national origin, sexual orientation, gender identity,
 161.3 or physical ability.

161.4 Sec. 2. Minnesota Statutes 2020, section 148.911, is amended to read:

161.5 **148.911 CONTINUING EDUCATION.**

161.6 (a) Upon application for license renewal, a licensee shall provide the board with
 161.7 satisfactory evidence that the licensee has completed continuing education requirements
 161.8 established by the board. Continuing education programs shall be approved under section
 161.9 148.905, subdivision 1, clause (10). The board shall establish by rule the number of
 161.10 continuing education training hours required each year and may specify subject or skills
 161.11 areas that the licensee shall address.

161.12 (b) At least four of the required continuing education hours must be on increasing the
 161.13 knowledge, understanding, self-awareness, and practice skills to competently address the
 161.14 psychological needs of individuals from diverse socioeconomic and cultural backgrounds.
 161.15 Topics include but are not limited to:

161.16 (1) understanding culture, its functions, and strengths that exist in varied cultures;

161.17 (2) understanding clients' cultures and differences among and between cultural groups;

161.18 (3) understanding the nature of social diversity and oppression;

161.19 (4) understanding cultural humility; and

161.20 (5) understanding human diversity, meaning individual client differences that are
 161.21 associated with the client's cultural group, including race, ethnicity, national origin, religious
 161.22 affiliation, language, age, gender, gender identity, physical and mental capabilities, sexual
 161.23 orientation, and socioeconomic status.

161.24 **EFFECTIVE DATE.** This section is effective July 1, 2023.

161.25 Sec. 3. Minnesota Statutes 2020, section 148.995, subdivision 2, is amended to read:

161.26 Subd. 2. **Certified doula.** "Certified doula" means an individual who has received a
 161.27 certification to perform doula services from the International Childbirth Education
 161.28 Association, the Doulas of North America (DONA), the Association of Labor Assistants
 161.29 and Childbirth Educators (ALACE), Birthworks, the Childbirth and Postpartum Professional
 161.30 Association (CAPP), Childbirth International, the International Center for Traditional

162.1 Childbearing, ~~or~~ Commonsense Childbirth, Inc., Modern Doula Education (MDE), or an
162.2 organization designated by the commissioner under section 148.9965.

162.3 Sec. 4. Minnesota Statutes 2020, section 148.996, subdivision 2, is amended to read:

162.4 Subd. 2. **Qualifications.** The commissioner shall include on the registry any individual
162.5 who:

162.6 (1) submits an application on a form provided by the commissioner. The form must
162.7 include the applicant's name, address, and contact information;

162.8 (2) ~~maintains~~ submits evidence of maintaining a current certification from one of the
162.9 organizations listed in section 148.995, subdivision 2, or from an organization designated
162.10 by the commissioner under section 148.9965; and

162.11 (3) pays the fees required under section 148.997.

162.12 Sec. 5. Minnesota Statutes 2020, section 148.996, subdivision 4, is amended to read:

162.13 Subd. 4. **Renewal.** Inclusion on the registry maintained by the commissioner is valid
162.14 for three years, provided the doula meets the requirement in subdivision 2, clause (2), during
162.15 the entire period. At the end of the three-year period, the certified doula may submit a new
162.16 application to remain on the doula registry by meeting the requirements described in
162.17 subdivision 2.

162.18 Sec. 6. Minnesota Statutes 2020, section 148.996, is amended by adding a subdivision to
162.19 read:

162.20 Subd. 6. **Removal from registry.** (a) If the commissioner determines that a doula
162.21 included on the registry does not meet the requirement in subdivision 2, clause (2), the
162.22 commissioner shall notify the affected doula that the doula no longer meets the requirement
162.23 in subdivision 2, clause (2), specify steps the doula must take to maintain inclusion on the
162.24 registry, and specify the effect of failing to take such steps. The commissioner must provide
162.25 this notice by first class mail to the address on file with the commissioner for the affected
162.26 doula.

162.27 (b) Following the provision of notice under paragraph (a), the commissioner shall remove
162.28 from the registry any doula who no longer meets the requirement in subdivision 2, clause
162.29 (2), and who does not take the steps specified by the commissioner to maintain inclusion
162.30 on the registry.

163.1 Sec. 7. [148.9965] DESIGNATION OF DOULA CERTIFICATION

163.2 ORGANIZATIONS BY COMMISSIONER.

163.3 Subdivision 1. Review and designation by commissioner. The commissioner shall
 163.4 periodically review the doula certification organizations listed in section 148.995, subdivision
 163.5 2, or designated by the commissioner under this section. The commissioner may: (1)
 163.6 designate additional organizations from which individuals, if maintaining current doula
 163.7 certification from such an organization, are eligible for inclusion on the registry of certified
 163.8 doulas; and (2) remove the designation of a doula certification organization previously
 163.9 designated by the commissioner.

163.10 Subd. 2. Designation. A doula certification organization seeking designation under this
 163.11 section shall provide the commissioner with evidence that the organization satisfies
 163.12 designation criteria established by the commissioner. If the commissioner designates a doula
 163.13 certification organization under this section, the commissioner shall provide notice of the
 163.14 designation by publication in the State Register and on the Department of Health website
 163.15 for the registry of certified doulas and shall specify the date after which a certification by
 163.16 the organization authorizes a doula certified by the organization to be included on the
 163.17 registry.

163.18 Subd. 3. Removal of designation. (a) The commissioner may remove the designation
 163.19 of a doula certification organization previously designated by the commissioner under this
 163.20 section upon a determination by the commissioner that the organization does not meet the
 163.21 commissioner's criteria for designation. If the commissioner removes a designation, the
 163.22 commissioner shall provide notice of the removal by publication in the State Register and
 163.23 shall specify the date after which a certification by the organization no longer authorizes a
 163.24 doula certified by the organization to be included on the registry.

163.25 (b) Following removal of a designation, the Department of Health website for the registry
 163.26 of certified doulas shall be modified to reflect the removal.

163.27 Sec. 8. Minnesota Statutes 2020, section 148B.30, subdivision 1, is amended to read:

163.28 Subdivision 1. Creation. (a) There is created a Board of Marriage and Family Therapy
 163.29 that consists of seven members appointed by the governor. Four members shall be licensed,
 163.30 practicing marriage and family therapists, each of whom shall for at least five years
 163.31 immediately preceding appointment, have been actively engaged as a marriage and family
 163.32 therapist, rendering professional services in marriage and family therapy. One member shall
 163.33 be engaged in the professional teaching and research of marriage and family therapy. Two
 163.34 members shall be representatives of the general public who have no direct affiliation with

164.1 the practice of marriage and family therapy. All members shall have been a resident of the
 164.2 state two years preceding their appointment. Of the first board members appointed, three
 164.3 shall continue in office for two years, two members for three years, and two members,
 164.4 including the chair, for terms of four years respectively. Their successors shall be appointed
 164.5 for terms of four years each, except that a person chosen to fill a vacancy shall be appointed
 164.6 only for the unexpired term of the board member whom the newly appointed member
 164.7 succeeds. Upon the expiration of a board member's term of office, the board member shall
 164.8 continue to serve until a successor is appointed and qualified.

164.9 (b) At the time of their appointments, at least two members must reside outside of the
 164.10 seven-county metropolitan area.

164.11 (c) At the time of their appointments, at least two members must be members of:

164.12 (1) a community of color; or

164.13 (2) an underrepresented community, defined as a group that is not represented in the
 164.14 majority with respect to race, ethnicity, national origin, sexual orientation, gender identity,
 164.15 or physical ability.

164.16 Sec. 9. Minnesota Statutes 2020, section 148B.31, is amended to read:

164.17 **148B.31 DUTIES OF THE BOARD.**

164.18 (a) The board shall:

164.19 (1) adopt and enforce rules for marriage and family therapy licensing, which shall be
 164.20 designed to protect the public;

164.21 (2) develop by rule appropriate techniques, including examinations and other methods,
 164.22 for determining whether applicants and licensees are qualified under sections 148B.29 to
 164.23 148B.392;

164.24 (3) issue licenses to individuals who are qualified under sections 148B.29 to 148B.392;

164.25 (4) establish and implement procedures designed to assure that licensed marriage and
 164.26 family therapists will comply with the board's rules;

164.27 (5) study and investigate the practice of marriage and family therapy within the state in
 164.28 order to improve the standards imposed for the licensing of marriage and family therapists
 164.29 and to improve the procedures and methods used for enforcement of the board's standards;

164.30 (6) formulate and implement a code of ethics for all licensed marriage and family
 164.31 therapists; and

165.1 (7) establish continuing education requirements for marriage and family therapists.

165.2 (b) At least four of the 40 continuing education training hours required under Minnesota
 165.3 Rules, part 5300.0320, subpart 2, must be on increasing the knowledge, understanding,
 165.4 self-awareness, and practice skills that enable a marriage and family therapist to serve clients
 165.5 from diverse socioeconomic and cultural backgrounds. Topics include but are not limited
 165.6 to:

165.7 (1) understanding culture, its functions, and strengths that exist in varied cultures;

165.8 (2) understanding clients' cultures and differences among and between cultural groups;

165.9 (3) understanding the nature of social diversity and oppression; and

165.10 (4) understanding cultural humility.

165.11 **EFFECTIVE DATE.** This section is effective July 1, 2023.

165.12 Sec. 10. Minnesota Statutes 2020, section 148B.51, is amended to read:

165.13 **148B.51 BOARD OF BEHAVIORAL HEALTH AND THERAPY.**

165.14 (a) The Board of Behavioral Health and Therapy consists of 13 members appointed by
 165.15 the governor. Five of the members shall be professional counselors licensed or eligible for
 165.16 licensure under sections 148B.50 to 148B.593. Five of the members shall be alcohol and
 165.17 drug counselors licensed under chapter 148F. Three of the members shall be public members
 165.18 as defined in section 214.02. The board shall annually elect from its membership a chair
 165.19 and vice-chair. The board shall appoint and employ an executive director who is not a
 165.20 member of the board. The employment of the executive director shall be subject to the terms
 165.21 described in section 214.04, subdivision 2a. Chapter 214 applies to the Board of Behavioral
 165.22 Health and Therapy unless superseded by sections 148B.50 to 148B.593.

165.23 (b) At the time of their appointments, at least three members must reside outside of the
 165.24 seven-county metropolitan area.

165.25 (c) At the time of their appointments, at least three members must be members of:

165.26 (1) a community of color; or

165.27 (2) an underrepresented community, defined as a group that is not represented in the
 165.28 majority with respect to race, ethnicity, national origin, sexual orientation, gender identity,
 165.29 or physical ability.

166.1 Sec. 11. Minnesota Statutes 2020, section 148B.54, subdivision 2, is amended to read:

166.2 Subd. 2. **Continuing education.** (a) At the completion of the first four years of licensure,
 166.3 a licensee must provide evidence satisfactory to the board of completion of 12 additional
 166.4 postgraduate semester credit hours or its equivalent in counseling as determined by the
 166.5 board, except that no licensee shall be required to show evidence of greater than 60 semester
 166.6 hours or its equivalent. In addition to completing the requisite graduate coursework, each
 166.7 licensee shall also complete in the first four years of licensure a minimum of 40 hours of
 166.8 continuing education activities approved by the board under Minnesota Rules, part 2150.2540.
 166.9 Graduate credit hours successfully completed in the first four years of licensure may be
 166.10 applied to both the graduate credit requirement and to the requirement for 40 hours of
 166.11 continuing education activities. A licensee may receive 15 continuing education hours per
 166.12 semester credit hour or ten continuing education hours per quarter credit hour. Thereafter,
 166.13 at the time of renewal, each licensee shall provide evidence satisfactory to the board that
 166.14 the licensee has completed during each two-year period at least the equivalent of 40 clock
 166.15 hours of professional postdegree continuing education in programs approved by the board
 166.16 and continues to be qualified to practice under sections 148B.50 to 148B.593.

166.17 (b) At least four of the required 40 continuing education clock hours must be on increasing
 166.18 the knowledge, understanding, self-awareness, and practice skills that enable a licensed
 166.19 professional counselor and licensed professional clinical counselor to serve clients from
 166.20 diverse socioeconomic and cultural backgrounds. Topics include but are not limited to:

- 166.21 (1) understanding culture, culture's functions, and strengths that exist in varied cultures;
 166.22 (2) understanding clients' cultures and differences among and between cultural groups;
 166.23 (3) understanding the nature of social diversity and oppression; and
 166.24 (4) understanding cultural humility.

166.25 **EFFECTIVE DATE.** This section is effective July 1, 2023.

166.26 Sec. 12. Minnesota Statutes 2020, section 148E.010, is amended by adding a subdivision
 166.27 to read:

166.28 Subd. 7f. **Cultural responsiveness.** "Cultural responsiveness" means increasing the
 166.29 knowledge, understanding, self-awareness, and practice skills that enable a social worker
 166.30 to serve clients from diverse socioeconomic and cultural backgrounds including:

- 166.31 (1) understanding culture, its functions, and strengths that exist in varied cultures;
 166.32 (2) understanding clients' cultures and differences among and between cultural groups;

167.1 (3) understanding the nature of social diversity and oppression; and

167.2 (4) understanding cultural humility.

167.3 Sec. 13. Minnesota Statutes 2020, section 148E.130, subdivision 1, is amended to read:

167.4 Subdivision 1. **Total clock hours required.** (a) A licensee must complete 40 hours of
167.5 continuing education for each two-year renewal term. At the time of license renewal, a
167.6 licensee must provide evidence satisfactory to the board that the licensee has completed the
167.7 required continuing education hours during the previous renewal term. Of the total clock
167.8 hours required:

167.9 (1) all licensees must complete:

167.10 (i) two hours in social work ethics as defined in section 148E.010; and

167.11 (ii) four hours in cultural responsiveness;

167.12 (2) licensed independent clinical social workers must complete 12 clock hours in one
167.13 or more of the clinical content areas specified in section 148E.055, subdivision 5, paragraph
167.14 (a), clause (2);

167.15 (3) licensees providing licensing supervision according to sections 148E.100 to 148E.125,
167.16 must complete six clock hours in supervision as defined in section 148E.010; and

167.17 (4) no more than half of the required clock hours may be completed via continuing
167.18 education independent learning as defined in section 148E.010.

167.19 (b) If the licensee's renewal term is prorated to be less or more than 24 months, the total
167.20 number of required clock hours is prorated proportionately.

167.21 Sec. 14. Minnesota Statutes 2020, section 148E.130, is amended by adding a subdivision
167.22 to read:

167.23 Subd. 1b. **New content clock hours required effective July 1, 2021.** (a) The content
167.24 clock hours in subdivision 1, paragraph (a), clause (1), item (ii), apply to all new licenses
167.25 issued effective July 1, 2021, under section 148E.055.

167.26 (b) Any licensee issued a license prior to July 1, 2021, under section 148E.055 must
167.27 comply with the clock hours in subdivision 1, including the content clock hours in subdivision
167.28 1, paragraph (a), clause (1), item (ii), at the first two-year renewal term after July 1, 2021.

ARTICLE 5

PRESCRIPTION DRUGS

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Section 1. Minnesota Statutes 2020, section 16A.151, subdivision 2, is amended to read:

Subd. 2. **Exceptions.** (a) If a state official litigates or settles a matter on behalf of specific injured persons or entities, this section does not prohibit distribution of money to the specific injured persons or entities on whose behalf the litigation or settlement efforts were initiated. If money recovered on behalf of injured persons or entities cannot reasonably be distributed to those persons or entities because they cannot readily be located or identified or because the cost of distributing the money would outweigh the benefit to the persons or entities, the money must be paid into the general fund.

(b) Money recovered on behalf of a fund in the state treasury other than the general fund may be deposited in that fund.

(c) This section does not prohibit a state official from distributing money to a person or entity other than the state in litigation or potential litigation in which the state is a defendant or potential defendant.

(d) State agencies may accept funds as directed by a federal court for any restitution or monetary penalty under United States Code, title 18, section 3663(a)(3), or United States Code, title 18, section 3663A(a)(3). Funds received must be deposited in a special revenue account and are appropriated to the commissioner of the agency for the purpose as directed by the federal court.

(e) Tobacco settlement revenues as defined in section 16A.98, subdivision 1, paragraph (t), may be deposited as provided in section 16A.98, subdivision 12.

(f) Any money received by the state resulting from a settlement agreement or an assurance of discontinuance entered into by the attorney general of the state, or a court order in litigation brought by the attorney general of the state, on behalf of the state or a state agency, ~~against one or more opioid manufacturers or opioid wholesale drug distributors~~ related to alleged violations of consumer fraud laws in the marketing, sale, or distribution of opioids in this state or other alleged illegal actions that contributed to the excessive use of opioids, must be deposited in a separate account in the state treasury and the commissioner shall notify the chairs and ranking minority members of the Finance Committee in the senate and the Ways and Means Committee in the house of representatives that an account has been created. Notwithstanding section 11A.20, all investment income and all investment losses attributable to the investment of this account shall be credited to the account. This paragraph does not apply to attorney fees and costs awarded to the state or the Attorney General's Office, to

169.1 contract attorneys hired by the state or Attorney General's Office, or to other state agency
 169.2 attorneys. If the licensing fees under section 151.065, subdivision 1, clause (16), and
 169.3 subdivision 3, clause (14), are reduced and the registration fee under section 151.066,
 169.4 subdivision 3, is repealed in accordance with section 256.043, subdivision 4, then the
 169.5 commissioner shall transfer from the separate account created in this paragraph to the opiate
 169.6 epidemic response fund under section 256.043 an amount that ensures that \$20,940,000
 169.7 each fiscal year is available for distribution in accordance with section 256.043, ~~subdivisions~~
 169.8 ~~2 and~~ subdivision 3.

169.9 (g) Notwithstanding paragraph (f), if money is received from a settlement agreement or
 169.10 an assurance of discontinuance entered into by the attorney general of the state or a court
 169.11 order in litigation brought by the attorney general of the state on behalf of the state or a state
 169.12 agency against a consulting firm working for an opioid manufacturer or opioid wholesale
 169.13 drug distributor and deposited into the separate account created under paragraph (f), the
 169.14 commissioner shall annually transfer from the separate account to the opiate epidemic
 169.15 response fund under section 256.043 an amount equal to the estimated amount submitted
 169.16 to the commissioner by the Board of Pharmacy in accordance with section 151.066,
 169.17 subdivision 3, paragraph (b). The amount transferred shall be included in the amount available
 169.18 for distribution in accordance with section 256.043, subdivision 3. This transfer shall occur
 169.19 each year until the registration fee under section 151.066, subdivision 3, is repealed in
 169.20 accordance with section 256.043, subdivision 4, or the money deposited in the account in
 169.21 accordance with this paragraph has been transferred, whichever occurs first.

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

169.23 Sec. 2. Minnesota Statutes 2020, section 151.066, subdivision 3, is amended to read:

169.24 Subd. 3. **Determination of an opiate product registration fee.** (a) The board shall
 169.25 annually assess an opiate product registration fee on any manufacturer of an opiate that
 169.26 annually sells, delivers, or distributes an opiate within or into the state 2,000,000 or more
 169.27 units as reported to the board under subdivision 2.

169.28 (b) For purposes of assessing the annual registration fee under this section and
 169.29 determining the number of opiate units a manufacturer sold, delivered, or distributed within
 169.30 or into the state, the board shall not consider any opiate that is used for medication-assisted
 169.31 therapy for substance use disorders. If there is money deposited into the separate account
 169.32 as described in section 16A.151, subdivision 2, paragraph (g), the board shall submit to the
 169.33 commissioner of management and budget an estimate of the difference in the annual fee
 169.34 revenue collected under this section due to this exception.

170.1 (c) The annual registration fee for each manufacturer meeting the requirement under
170.2 paragraph (a) is \$250,000.

170.3 ~~(e)~~ (d) In conjunction with the data reported under this section, and notwithstanding
170.4 section 152.126, subdivision 6, the board may use the data reported under section 152.126,
170.5 subdivision 4, to determine which manufacturers meet the requirement under paragraph (a)
170.6 and are required to pay the registration fees under this subdivision.

170.7 ~~(d)~~ (e) By April 1 of each year, beginning April 1, 2020, the board shall notify a
170.8 manufacturer that the manufacturer meets the requirement in paragraph (a) and is required
170.9 to pay the annual registration fee in accordance with section 151.252, subdivision 1,
170.10 paragraph (b).

170.11 ~~(e)~~ (f) A manufacturer may dispute the board's determination that the manufacturer must
170.12 pay the registration fee no later than 30 days after the date of notification. However, the
170.13 manufacturer must still remit the fee as required by section 151.252, subdivision 1, paragraph
170.14 (b). The dispute must be filed with the board in the manner and using the forms specified
170.15 by the board. A manufacturer must submit, with the required forms, data satisfactory to the
170.16 board that demonstrates that the assessment of the registration fee was incorrect. The board
170.17 must make a decision concerning a dispute no later than 60 days after receiving the required
170.18 dispute forms. If the board determines that the manufacturer has satisfactorily demonstrated
170.19 that the fee was incorrectly assessed, the board must refund the amount paid in error.

170.20 ~~(f)~~ (g) For purposes of this subdivision, a unit means the individual dosage form of the
170.21 particular drug product that is prescribed to the patient. One unit equals one tablet, capsule,
170.22 patch, syringe, milliliter, or gram.

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

170.24 Sec. 3. **[151.335] DELIVERY THROUGH COMMON CARRIER; COMPLIANCE**
170.25 **WITH TEMPERATURE REQUIREMENTS.**

170.26 In addition to complying with the requirements of Minnesota Rules, part 6800.3000, a
170.27 mail order or specialty pharmacy that employs the United States Postal Service or other
170.28 common carrier to deliver a filled prescription directly to a patient must ensure that the drug
170.29 is delivered in compliance with temperature requirements established by the manufacturer
170.30 of the drug. The pharmacy must develop written policies and procedures that are consistent
170.31 with United States Pharmacopeia, chapters 1079 and 1118, and with nationally recognized
170.32 standards issued by standard-setting or accreditation organizations recognized by the board
170.33 through guidance. The policies and procedures must be provided to the board upon request.

171.1 Sec. 4. Minnesota Statutes 2020, section 256.043, subdivision 4, is amended to read:

171.2 Subd. 4. **Settlement; sunset.** (a) If the state receives a total sum of \$250,000,000 either
171.3 as a result of a settlement agreement or an assurance of discontinuance entered into by the
171.4 attorney general of the state, or resulting from a court order in litigation brought by the
171.5 attorney general of the state on behalf of the state or a state agency, ~~against one or more~~
171.6 ~~opioid manufacturers or opioid wholesale drug distributors~~ related to alleged violations of
171.7 consumer fraud laws in the marketing, sale, or distribution of opioids in this state, or other
171.8 alleged illegal actions that contributed to the excessive use of opioids, or from the fees
171.9 collected under sections 151.065, subdivisions 1 and 3, and 151.066, that are deposited into
171.10 the opiate epidemic response fund established in this section, or from a combination of both,
171.11 the fees specified in section 151.065, subdivisions 1, clause (16), and 3, clause (14), shall
171.12 be reduced to \$5,260, and the opiate registration fee in section 151.066, subdivision 3, shall
171.13 be repealed.

171.14 (b) The commissioner of management and budget shall inform the Board of Pharmacy,
171.15 the governor, and the legislature when the amount specified in paragraph (a) has been
171.16 reached. The board shall apply the reduced license fee for the next licensure period.

171.17 (c) Notwithstanding paragraph (a), the reduction of the license fee in section 151.065,
171.18 subdivisions 1 and 3, and the repeal of the registration fee in section 151.066 shall not occur
171.19 before July 1, 2024.

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

171.21 Sec. 5. **STUDY OF TEMPERATURE MONITORING.**

171.22 The Board of Pharmacy shall conduct a study to determine the appropriateness and
171.23 feasibility of requiring mail order and specialty pharmacies to enclose in each medication's
171.24 packaging a method by which the patient can easily detect improper storage or temperature
171.25 variations that may have occurred during the delivery of a medication. The board shall
171.26 report the results of the study by January 15, 2022, to the chairs and ranking minority
171.27 members of the legislative committees with jurisdiction over health finance and policy.

171.28 Sec. 6. **OPIATE REGISTRATION FEE REDUCTION.**

171.29 (a) For purposes of assessing the opiate registration fee under Minnesota Statutes, section
171.30 151.066, subdivision 3, that is required to be paid on June 1, 2021, in accordance with
171.31 Minnesota Statutes, section 151.252, subdivision 1, paragraph (b), the Board of Pharmacy
171.32 shall not consider any injectable opiate product distributed to a hospital or hospital pharmacy.

172.1 If there is money deposited into the separate account as described in Minnesota Statutes,
 172.2 section 16A.151, subdivision 2, paragraph (g), the board shall submit to the commissioner
 172.3 of management and budget an estimate of the difference in the annual opiate registration
 172.4 fee revenue collected under Minnesota Statutes, section 151.066, due to the exception
 172.5 described in this paragraph.

172.6 (b) Any estimated loss to the opiate registration fee revenue attributable to paragraph
 172.7 (a) must be included in any transfer that occurs under Minnesota Statutes, section 16A.151,
 172.8 subdivision 2, paragraph (g), in calendar year 2021.

172.9 (c) If a manufacturer has already paid the opiate registration fee due on June 1, 2021,
 172.10 the Board of Pharmacy shall return the amount of the fee to the manufacturer if the
 172.11 manufacturer would not have been required to pay the fee after the calculations described
 172.12 in paragraph (a) were made.

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

172.14

ARTICLE 6

172.15

TELEHEALTH

172.16 Section 1. **[62A.673] COVERAGE OF SERVICES PROVIDED THROUGH**
 172.17 **TELEHEALTH.**

172.18 Subdivision 1. **Citation.** This section may be cited as the "Minnesota Telehealth Act."

172.19 Subd. 2. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision
 172.20 have the meanings given.

172.21 (b) "Distant site" means a site at which a health care provider is located while providing
 172.22 health care services or consultations by means of telehealth.

172.23 (c) "Health care provider" means a health care professional who is licensed or registered
 172.24 by the state to perform health care services within the provider's scope of practice and in
 172.25 accordance with state law. A health care provider includes a mental health professional as
 172.26 defined under section 245.462, subdivision 18, or 245.4871, subdivision 27; a mental health
 172.27 practitioner as defined under section 245.462, subdivision 17, or 245.4871, subdivision 26;
 172.28 a treatment coordinator under section 245G.11, subdivision 7; an alcohol and drug counselor
 172.29 under section 245G.11, subdivision 5; and a recovery peer under section 245G.11, subdivision
 172.30 8.

172.31 (d) "Health carrier" has the meaning given in section 62A.011, subdivision 2.

173.1 (e) "Health plan" has the meaning given in section 62A.011, subdivision 3. Health plan
173.2 includes dental plans as defined in section 62Q.76, subdivision 3, but does not include dental
173.3 plans that provide indemnity-based benefits, regardless of expenses incurred, and are designed
173.4 to pay benefits directly to the policy holder.

173.5 (f) "Originating site" means a site at which a patient is located at the time health care
173.6 services are provided to the patient by means of telehealth. For purposes of store-and-forward
173.7 technology, the originating site also means the location at which a health care provider
173.8 transfers or transmits information to the distant site.

173.9 (g) "Store-and-forward technology" means the asynchronous electronic transfer or
173.10 transmission of a patient's medical information or data from an originating site to a distant
173.11 site for the purposes of diagnostic and therapeutic assistance in the care of a patient.

173.12 (h) "Telehealth" means the delivery of health care services or consultations through the
173.13 use of real time two-way interactive audio and visual communications to provide or support
173.14 health care delivery and facilitate the assessment, diagnosis, consultation, treatment,
173.15 education, and care management of a patient's health care. Telehealth includes the application
173.16 of secure video conferencing, store-and-forward technology, and synchronous interactions
173.17 between a patient located at an originating site and a health care provider located at a distant
173.18 site. Until July 1, 2023, telehealth also includes audio-only communication between a health
173.19 care provider and a patient in accordance with subdivision 6, paragraph (b). Telehealth does
173.20 not include communication between health care providers that consists solely of a telephone
173.21 conversation, e-mail, or facsimile transmission. Telehealth does not include communication
173.22 between a health care provider and a patient that consists solely of an e-mail or facsimile
173.23 transmission. Telehealth does not include telemonitoring services as defined in paragraph
173.24 (i).

173.25 (i) "Telemonitoring services" means the remote monitoring of clinical data related to
173.26 the enrollee's vital signs or biometric data by a monitoring device or equipment that transmits
173.27 the data electronically to a health care provider for analysis. Telemonitoring is intended to
173.28 collect an enrollee's health-related data for the purpose of assisting a health care provider
173.29 in assessing and monitoring the enrollee's medical condition or status.

173.30 Subd. 3. Coverage of telehealth. (a) A health plan sold, issued, or renewed by a health
173.31 carrier in Minnesota must (1) cover benefits delivered through telehealth in the same manner
173.32 as any other benefits covered under the health plan, and (2) comply with this section.

174.1 (b) Coverage for services delivered through telehealth must not be limited on the basis
174.2 of geography, location, or distance for travel subject to the health care provider network
174.3 available to the enrollee through the enrollee's health plan.

174.4 (c) A health carrier must not create a separate provider network to deliver services
174.5 through telehealth that does not include network providers who provide in-person care to
174.6 patients for the same service or require an enrollee to use a specific provider within the
174.7 network to receive services through telehealth.

174.8 (d) A health carrier may require a deductible, co-payment, or coinsurance payment for
174.9 a health care service provided through telehealth, provided that the deductible, co-payment,
174.10 or coinsurance payment is not in addition to, and does not exceed, the deductible, co-payment,
174.11 or coinsurance applicable for the same service provided through in-person contact.

174.12 (e) Nothing in this section:

174.13 (1) requires a health carrier to provide coverage for services that are not medically
174.14 necessary or are not covered under the enrollee's health plan; or

174.15 (2) prohibits a health carrier from:

174.16 (i) establishing criteria that a health care provider must meet to demonstrate the safety
174.17 or efficacy of delivering a particular service through telehealth for which the health carrier
174.18 does not already reimburse other health care providers for delivering the service through
174.19 telehealth;

174.20 (ii) establishing reasonable medical management techniques, provided the criteria or
174.21 techniques are not unduly burdensome or unreasonable for the particular service; or

174.22 (iii) requiring documentation or billing practices designed to protect the health carrier
174.23 or patient from fraudulent claims, provided the practices are not unduly burdensome or
174.24 unreasonable for the particular service.

174.25 (f) Nothing in this section requires the use of telehealth when a health care provider
174.26 determines that the delivery of a health care service through telehealth is not appropriate or
174.27 when an enrollee chooses not to receive a health care service through telehealth.

174.28 **Subd. 4. Parity between telehealth and in-person services.** (a) A health carrier must
174.29 not restrict or deny coverage of a health care service that is covered under a health plan
174.30 solely:

174.31 (1) because the health care service provided by the health care provider through telehealth
174.32 is not provided through in-person contact; or

175.1 (2) based on the communication technology or application used to deliver the health
175.2 care service through telehealth, provided the technology or application complies with this
175.3 section and is appropriate for the particular service.

175.4 (b) Prior authorization may be required for health care services delivered through
175.5 telehealth only if prior authorization is required before the delivery of the same service
175.6 through in-person contact.

175.7 (c) A health carrier may require a utilization review for services delivered through
175.8 telehealth, provided the utilization review is conducted in the same manner and uses the
175.9 same clinical review criteria as a utilization review for the same services delivered through
175.10 in-person contact.

175.11 (d) A health carrier or health care provider shall not require an enrollee to pay a fee to
175.12 download a specific communication technology or application.

175.13 **Subd. 5. Reimbursement for services delivered through telehealth.** (a) A health carrier
175.14 must reimburse the health care provider for services delivered through telehealth on the
175.15 same basis and at the same rate as the health carrier would apply to those services if the
175.16 services had been delivered by the health care provider through in-person contact.

175.17 (b) A health carrier must not deny or limit reimbursement based solely on a health care
175.18 provider delivering the service or consultation through telehealth instead of through in-person
175.19 contact.

175.20 (c) A health carrier must not deny or limit reimbursement based solely on the technology
175.21 and equipment used by the health care provider to deliver the health care service or
175.22 consultation through telehealth, provided the technology and equipment used by the provider
175.23 meets the requirements of this section and is appropriate for the particular service.

175.24 (d) Nothing in this subdivision prohibits a health carrier and health care provider from
175.25 entering into a contract that includes a value-based reimbursement arrangement for the
175.26 delivery of covered services that may include services delivered through telehealth, and
175.27 such an arrangement shall not be considered a violation of this subdivision.

175.28 **Subd. 6. Telehealth equipment.** (a) A health carrier must not require a health care
175.29 provider to use specific telecommunications technology and equipment as a condition of
175.30 coverage under this section, provided the health care provider uses telecommunications
175.31 technology and equipment that complies with current industry interoperable standards and
175.32 complies with standards required under the federal Health Insurance Portability and

176.1 Accountability Act of 1996, Public Law 104-191, and regulations promulgated under that
 176.2 Act, unless authorized under this section.

176.3 (b) A health carrier must provide coverage for health care services delivered through
 176.4 telehealth by means of the use of audio-only communication if the communication is a
 176.5 scheduled appointment and the standard of care for that particular service can be met through
 176.6 the use of audio-only communication. Substance use disorder treatment services and mental
 176.7 health care services delivered through telehealth by means of audio-only communication
 176.8 may be covered without a scheduled appointment if the communication was initiated by
 176.9 the enrollee while in an emergency or crisis situation and a scheduled appointment was not
 176.10 possible due to the need of an immediate response. This paragraph expires July 1, 2023.

176.11 Subd. 7. **Telemonitoring services.** A health carrier must provide coverage for
 176.12 telemonitoring services if:

176.13 (1) the telemonitoring service is medically appropriate based on the enrollee's medical
 176.14 condition or status;

176.15 (2) the enrollee is cognitively and physically capable of operating the monitoring device
 176.16 or equipment, or the enrollee has a caregiver who is willing and able to assist with the
 176.17 monitoring device or equipment; and

176.18 (3) the enrollee resides in a setting that is suitable for telemonitoring and not in a setting
 176.19 that has health care staff on site.

176.20 Subd. 8. **Exception.** This section does not apply to coverage provided to state public
 176.21 health care program enrollees under chapter 256B or 256L.

176.22 Sec. 2. Minnesota Statutes 2020, section 147.033, is amended to read:

176.23 **147.033 PRACTICE OF TELEMEDICINE TELEHEALTH.**

176.24 Subdivision 1. **Definition.** For the purposes of this section, "~~telemedicine~~" ~~means the~~
 176.25 ~~delivery of health care services or consultations while the patient is at an originating site~~
 176.26 ~~and the licensed health care provider is at a distant site. A communication between licensed~~
 176.27 ~~health care providers that consists solely of a telephone conversation, e-mail, or facsimile~~
 176.28 ~~transmission does not constitute telemedicine consultations or services. A communication~~
 176.29 ~~between a licensed health care provider and a patient that consists solely of an e-mail or~~
 176.30 ~~facsimile transmission does not constitute telemedicine consultations or services.~~

176.31 ~~Telemedicine may be provided by means of real-time two-way interactive audio, and visual~~
 176.32 ~~communications, including the application of secure video conferencing or store-and-forward~~
 176.33 ~~technology to provide or support health care delivery, that facilitate the assessment, diagnosis,~~

177.1 ~~consultation, treatment, education, and care management of a patient's health care.~~

177.2 "telehealth" has the meaning given in section 62A.673, subdivision 2, paragraph (h).

177.3 Subd. 2. **Physician-patient relationship.** A physician-patient relationship may be
177.4 established through ~~telemedicine~~ telehealth.

177.5 Subd. 3. **Standards of practice and conduct.** A physician providing health care services
177.6 by ~~telemedicine~~ telehealth in this state shall be held to the same standards of practice and
177.7 conduct as provided in this chapter for in-person health care services.

177.8 Sec. 3. Minnesota Statutes 2020, section 151.37, subdivision 2, is amended to read:

177.9 Subd. 2. **Prescribing and filing.** (a) A licensed practitioner in the course of professional
177.10 practice only, may prescribe, administer, and dispense a legend drug, and may cause the
177.11 same to be administered by a nurse, a physician assistant, or medical student or resident
177.12 under the practitioner's direction and supervision, and may cause a person who is an
177.13 appropriately certified, registered, or licensed health care professional to prescribe, dispense,
177.14 and administer the same within the expressed legal scope of the person's practice as defined
177.15 in Minnesota Statutes. A licensed practitioner may prescribe a legend drug, without reference
177.16 to a specific patient, by directing a licensed dietitian or licensed nutritionist, pursuant to
177.17 section 148.634; a nurse, pursuant to section 148.235, subdivisions 8 and 9; physician
177.18 assistant; medical student or resident; or pharmacist according to section 151.01, subdivision
177.19 27, to adhere to a particular practice guideline or protocol when treating patients whose
177.20 condition falls within such guideline or protocol, and when such guideline or protocol
177.21 specifies the circumstances under which the legend drug is to be prescribed and administered.
177.22 An individual who verbally, electronically, or otherwise transmits a written, oral, or electronic
177.23 order, as an agent of a prescriber, shall not be deemed to have prescribed the legend drug.
177.24 This paragraph applies to a physician assistant only if the physician assistant meets the
177.25 requirements of ~~section 147A.18~~ sections 147A.02 and 147A.09.

177.26 (b) The commissioner of health, if a licensed practitioner, or a person designated by the
177.27 commissioner who is a licensed practitioner, may prescribe a legend drug to an individual
177.28 or by protocol for mass dispensing purposes where the commissioner finds that the conditions
177.29 triggering section 144.4197 or 144.4198, subdivision 2, paragraph (b), exist. The
177.30 commissioner, if a licensed practitioner, or a designated licensed practitioner, may prescribe,
177.31 dispense, or administer a legend drug or other substance listed in subdivision 10 to control
177.32 tuberculosis and other communicable diseases. The commissioner may modify state drug
177.33 labeling requirements, and medical screening criteria and documentation, where time is

178.1 critical and limited labeling and screening are most likely to ensure legend drugs reach the
178.2 maximum number of persons in a timely fashion so as to reduce morbidity and mortality.

178.3 (c) A licensed practitioner that dispenses for profit a legend drug that is to be administered
178.4 orally, is ordinarily dispensed by a pharmacist, and is not a vaccine, must file with the
178.5 practitioner's licensing board a statement indicating that the practitioner dispenses legend
178.6 drugs for profit, the general circumstances under which the practitioner dispenses for profit,
178.7 and the types of legend drugs generally dispensed. It is unlawful to dispense legend drugs
178.8 for profit after July 31, 1990, unless the statement has been filed with the appropriate
178.9 licensing board. For purposes of this paragraph, "profit" means (1) any amount received by
178.10 the practitioner in excess of the acquisition cost of a legend drug for legend drugs that are
178.11 purchased in prepackaged form, or (2) any amount received by the practitioner in excess
178.12 of the acquisition cost of a legend drug plus the cost of making the drug available if the
178.13 legend drug requires compounding, packaging, or other treatment. The statement filed under
178.14 this paragraph is public data under section 13.03. This paragraph does not apply to a licensed
178.15 doctor of veterinary medicine or a registered pharmacist. Any person other than a licensed
178.16 practitioner with the authority to prescribe, dispense, and administer a legend drug under
178.17 paragraph (a) shall not dispense for profit. To dispense for profit does not include dispensing
178.18 by a community health clinic when the profit from dispensing is used to meet operating
178.19 expenses.

178.20 (d) A prescription drug order for the following drugs is not valid, unless it can be
178.21 established that the prescription drug order was based on a documented patient evaluation,
178.22 including an examination, adequate to establish a diagnosis and identify underlying conditions
178.23 and contraindications to treatment:

178.24 (1) controlled substance drugs listed in section 152.02, subdivisions 3 to 5;

178.25 (2) drugs defined by the Board of Pharmacy as controlled substances under section
178.26 152.02, subdivisions 7, 8, and 12;

178.27 (3) muscle relaxants;

178.28 (4) centrally acting analgesics with opioid activity;

178.29 (5) drugs containing butalbital; or

178.30 (6) phosphodiesterase type 5 inhibitors when used to treat erectile dysfunction.

178.31 ~~For purposes of prescribing drugs listed in clause (6), the requirement for a documented~~
178.32 ~~patient evaluation, including an examination, may be met through the use of telemedicine,~~
178.33 ~~as defined in section 147.033, subdivision 1.~~

179.1 (e) For the purposes of paragraph (d), the requirement for an examination shall be met
179.2 if:

179.3 (1) an in-person examination has been completed in any of the following circumstances:

179.4 ~~(1)~~ (i) the prescribing practitioner examines the patient at the time the prescription or
179.5 drug order is issued;

179.6 ~~(2)~~ (ii) the prescribing practitioner has performed a prior examination of the patient;

179.7 ~~(3)~~ (iii) another prescribing practitioner practicing within the same group or clinic as
179.8 the prescribing practitioner has examined the patient;

179.9 ~~(4)~~ (iv) a consulting practitioner to whom the prescribing practitioner has referred the
179.10 patient has examined the patient; or

179.11 ~~(5)~~ (v) the referring practitioner has performed an examination in the case of a consultant
179.12 practitioner issuing a prescription or drug order when providing services by means of
179.13 telemedicine; or

179.14 (2) the prescription order is for a drug listed in paragraph (d), clause (6), or for medication
179.15 assisted therapy for a substance use disorder, and the prescribing practitioner has completed
179.16 an examination of the patient via telehealth as defined in section 62A.673, subdivision 2,
179.17 paragraph (h).

179.18 (f) Nothing in paragraph (d) or (e) prohibits a licensed practitioner from prescribing a
179.19 drug through the use of a guideline or protocol pursuant to paragraph (a).

179.20 (g) Nothing in this chapter prohibits a licensed practitioner from issuing a prescription
179.21 or dispensing a legend drug in accordance with the Expedited Partner Therapy in the
179.22 Management of Sexually Transmitted Diseases guidance document issued by the United
179.23 States Centers for Disease Control.

179.24 (h) Nothing in paragraph (d) or (e) limits prescription, administration, or dispensing of
179.25 legend drugs through a public health clinic or other distribution mechanism approved by
179.26 the commissioner of health or a community health board in order to prevent, mitigate, or
179.27 treat a pandemic illness, infectious disease outbreak, or intentional or accidental release of
179.28 a biological, chemical, or radiological agent.

179.29 (i) No pharmacist employed by, under contract to, or working for a pharmacy located
179.30 within the state and licensed under section 151.19, subdivision 1, may dispense a legend
179.31 drug based on a prescription that the pharmacist knows, or would reasonably be expected
179.32 to know, is not valid under paragraph (d).

180.1 (j) No pharmacist employed by, under contract to, or working for a pharmacy located
180.2 outside the state and licensed under section 151.19, subdivision 1, may dispense a legend
180.3 drug to a resident of this state based on a prescription that the pharmacist knows, or would
180.4 reasonably be expected to know, is not valid under paragraph (d).

180.5 (k) Nothing in this chapter prohibits the commissioner of health, if a licensed practitioner,
180.6 or, if not a licensed practitioner, a designee of the commissioner who is a licensed
180.7 practitioner, from prescribing legend drugs for field-delivered therapy in the treatment of
180.8 a communicable disease according to the Centers For Disease Control and Prevention Partner
180.9 Services Guidelines.

180.10 Sec. 4. Minnesota Statutes 2020, section 245G.01, subdivision 13, is amended to read:

180.11 Subd. 13. **Face-to-face.** "Face-to-face" means two-way, real-time, interactive and visual
180.12 communication between a client and a treatment service provider and includes services
180.13 delivered in person or via ~~telemedicine~~ telehealth.

180.14 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
180.15 whichever is later. The commissioner of human services shall notify the revisor of statutes
180.16 when federal approval is obtained.

180.17 Sec. 5. Minnesota Statutes 2020, section 245G.01, subdivision 26, is amended to read:

180.18 Subd. 26. ~~Telemedicine~~ Telehealth. "~~Telemedicine~~" "Telehealth" means the delivery
180.19 of a substance use disorder treatment service while the client is at an originating site and
180.20 the ~~licensed~~ health care provider is at a distant site via telehealth as defined in section
180.21 256B.0625, subdivision 3b, and as specified in section 254B.05, subdivision 5, paragraph
180.22 (f).

180.23 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
180.24 whichever is later. The commissioner of human services shall notify the revisor of statutes
180.25 when federal approval is obtained.

180.26 Sec. 6. Minnesota Statutes 2020, section 245G.06, subdivision 1, is amended to read:

180.27 Subdivision 1. **General.** Each client must have a person-centered individual treatment
180.28 plan developed by an alcohol and drug counselor within ten days from the day of service
180.29 initiation for a residential program and within five calendar days on which a treatment
180.30 session has been provided from the day of service initiation for a client in a nonresidential
180.31 program. Opioid treatment programs must complete the individual treatment plan within
180.32 21 days from the day of service initiation. The individual treatment plan must be signed by

181.1 the client and the alcohol and drug counselor and document the client's involvement in the
 181.2 development of the plan. The individual treatment plan is developed upon the qualified staff
 181.3 member's dated signature. Treatment planning must include ongoing assessment of client
 181.4 needs. An individual treatment plan must be updated based on new information gathered
 181.5 about the client's condition, the client's level of participation, and on whether methods
 181.6 identified have the intended effect. A change to the plan must be signed by the client and
 181.7 the alcohol and drug counselor. If the client chooses to have family or others involved in
 181.8 treatment services, the client's individual treatment plan must include how the family or
 181.9 others will be involved in the client's treatment. If a client is receiving treatment services
 181.10 or an assessment via telehealth and the alcohol and drug counselor documents the reason
 181.11 the client's signature cannot be obtained, the alcohol and drug counselor may document the
 181.12 client's verbal approval or electronic written approval of the treatment plan or change to the
 181.13 treatment plan in lieu of the client's signature.

181.14 **EFFECTIVE DATE.** This section is effective July 1, 2021.

181.15 Sec. 7. Minnesota Statutes 2020, section 254A.19, subdivision 5, is amended to read:

181.16 Subd. 5. **Assessment via ~~telemedicine~~ telehealth.** Notwithstanding Minnesota Rules,
 181.17 part 9530.6615, subpart 3, item A, a chemical use assessment may be conducted via
 181.18 ~~telemedicine~~ telehealth as defined in section 256B.0625, subdivision 3b.

181.19 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
 181.20 whichever is later. The commissioner of human services shall notify the revisor of statutes
 181.21 when federal approval is obtained.

181.22 Sec. 8. Minnesota Statutes 2020, section 254B.05, subdivision 5, is amended to read:

181.23 Subd. 5. **Rate requirements.** (a) The commissioner shall establish rates for substance
 181.24 use disorder services and service enhancements funded under this chapter.

181.25 (b) Eligible substance use disorder treatment services include:

181.26 (1) outpatient treatment services that are licensed according to sections 245G.01 to
 181.27 245G.17, or applicable tribal license;

181.28 (2) comprehensive assessments provided according to sections 245.4863, paragraph (a),
 181.29 and 245G.05;

181.30 (3) care coordination services provided according to section 245G.07, subdivision 1,
 181.31 paragraph (a), clause (5);

182.1 (4) peer recovery support services provided according to section 245G.07, subdivision
182.2 2, clause (8);

182.3 (5) on July 1, 2019, or upon federal approval, whichever is later, withdrawal management
182.4 services provided according to chapter 245F;

182.5 (6) medication-assisted therapy services that are licensed according to sections 245G.01
182.6 to 245G.17 and 245G.22, or applicable tribal license;

182.7 (7) medication-assisted therapy plus enhanced treatment services that meet the
182.8 requirements of clause (6) and provide nine hours of clinical services each week;

182.9 (8) high, medium, and low intensity residential treatment services that are licensed
182.10 according to sections 245G.01 to 245G.17 and 245G.21 or applicable tribal license which
182.11 provide, respectively, 30, 15, and five hours of clinical services each week;

182.12 (9) hospital-based treatment services that are licensed according to sections 245G.01 to
182.13 245G.17 or applicable tribal license and licensed as a hospital under sections 144.50 to
182.14 144.56;

182.15 (10) adolescent treatment programs that are licensed as outpatient treatment programs
182.16 according to sections 245G.01 to 245G.18 or as residential treatment programs according
182.17 to Minnesota Rules, parts 2960.0010 to 2960.0220, and 2960.0430 to 2960.0490, or
182.18 applicable tribal license;

182.19 (11) high-intensity residential treatment services that are licensed according to sections
182.20 245G.01 to 245G.17 and 245G.21 or applicable tribal license, which provide 30 hours of
182.21 clinical services each week provided by a state-operated vendor or to clients who have been
182.22 civilly committed to the commissioner, present the most complex and difficult care needs,
182.23 and are a potential threat to the community; and

182.24 (12) room and board facilities that meet the requirements of subdivision 1a.

182.25 (c) The commissioner shall establish higher rates for programs that meet the requirements
182.26 of paragraph (b) and one of the following additional requirements:

182.27 (1) programs that serve parents with their children if the program:

182.28 (i) provides on-site child care during the hours of treatment activity that:

182.29 (A) is licensed under chapter 245A as a child care center under Minnesota Rules, chapter
182.30 9503; or

182.31 (B) meets the licensure exclusion criteria of section 245A.03, subdivision 2, paragraph
182.32 (a), clause (6), and meets the requirements under section 245G.19, subdivision 4; or

- 183.1 (ii) arranges for off-site child care during hours of treatment activity at a facility that is
183.2 licensed under chapter 245A as:
- 183.3 (A) a child care center under Minnesota Rules, chapter 9503; or
183.4 (B) a family child care home under Minnesota Rules, chapter 9502;
- 183.5 (2) culturally specific programs as defined in section 254B.01, subdivision 4a, or
183.6 programs or subprograms serving special populations, if the program or subprogram meets
183.7 the following requirements:
- 183.8 (i) is designed to address the unique needs of individuals who share a common language,
183.9 racial, ethnic, or social background;
- 183.10 (ii) is governed with significant input from individuals of that specific background; and
183.11 (iii) employs individuals to provide individual or group therapy, at least 50 percent of
183.12 whom are of that specific background, except when the common social background of the
183.13 individuals served is a traumatic brain injury or cognitive disability and the program employs
183.14 treatment staff who have the necessary professional training, as approved by the
183.15 commissioner, to serve clients with the specific disabilities that the program is designed to
183.16 serve;
- 183.17 (3) programs that offer medical services delivered by appropriately credentialed health
183.18 care staff in an amount equal to two hours per client per week if the medical needs of the
183.19 client and the nature and provision of any medical services provided are documented in the
183.20 client file; and
- 183.21 (4) programs that offer services to individuals with co-occurring mental health and
183.22 chemical dependency problems if:
- 183.23 (i) the program meets the co-occurring requirements in section 245G.20;
183.24 (ii) 25 percent of the counseling staff are licensed mental health professionals, as defined
183.25 in section 245.462, subdivision 18, clauses (1) to (6), or are students or licensing candidates
183.26 under the supervision of a licensed alcohol and drug counselor supervisor and licensed
183.27 mental health professional, except that no more than 50 percent of the mental health staff
183.28 may be students or licensing candidates with time documented to be directly related to
183.29 provisions of co-occurring services;
- 183.30 (iii) clients scoring positive on a standardized mental health screen receive a mental
183.31 health diagnostic assessment within ten days of admission;

184.1 (iv) the program has standards for multidisciplinary case review that include a monthly
184.2 review for each client that, at a minimum, includes a licensed mental health professional
184.3 and licensed alcohol and drug counselor, and their involvement in the review is documented;

184.4 (v) family education is offered that addresses mental health and substance abuse disorders
184.5 and the interaction between the two; and

184.6 (vi) co-occurring counseling staff shall receive eight hours of co-occurring disorder
184.7 training annually.

184.8 (d) In order to be eligible for a higher rate under paragraph (c), clause (1), a program
184.9 that provides arrangements for off-site child care must maintain current documentation at
184.10 the chemical dependency facility of the child care provider's current licensure to provide
184.11 child care services. Programs that provide child care according to paragraph (c), clause (1),
184.12 must be deemed in compliance with the licensing requirements in section 245G.19.

184.13 (e) Adolescent residential programs that meet the requirements of Minnesota Rules,
184.14 parts 2960.0430 to 2960.0490 and 2960.0580 to 2960.0690, are exempt from the requirements
184.15 in paragraph (c), clause (4), items (i) to (iv).

184.16 (f) Subject to federal approval, chemical dependency services that are otherwise covered
184.17 as direct face-to-face services may be provided via ~~two-way interactive video~~ telehealth as
184.18 defined in section 256B.0625, subdivision 3b. The use of ~~two-way interactive video~~ telehealth
184.19 to deliver services must be medically appropriate to the condition and needs of the person
184.20 being served. Reimbursement shall be at the same rates and under the same conditions that
184.21 would otherwise apply to direct face-to-face services. ~~The interactive video equipment and~~
184.22 ~~connection must comply with Medicare standards in effect at the time the service is provided.~~

184.23 (g) For the purpose of reimbursement under this section, substance use disorder treatment
184.24 services provided in a group setting without a group participant maximum or maximum
184.25 client to staff ratio under chapter 245G shall not exceed a client to staff ratio of 48 to one.
184.26 At least one of the attending staff must meet the qualifications as established under this
184.27 chapter for the type of treatment service provided. A recovery peer may not be included as
184.28 part of the staff ratio.

184.29 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
184.30 whichever is later. The commissioner of human services shall notify the revisor of statutes
184.31 when federal approval is obtained.

185.1 Sec. 9. Minnesota Statutes 2020, section 256B.0621, subdivision 10, is amended to read:

185.2 Subd. 10. **Payment rates.** The commissioner shall set payment rates for targeted case
185.3 management under this subdivision. Case managers may bill according to the following
185.4 criteria:

185.5 (1) for relocation targeted case management, case managers may bill for direct case
185.6 management activities, including face-to-face contact, telephone contact, and interactive
185.7 video contact ~~according to section 256B.0924, subdivision 4a,~~ as defined in section
185.8 256B.0625, subdivision 20b, paragraph (f), in the lesser of:

185.9 (i) 180 days preceding an eligible recipient's discharge from an institution; or
185.10 (ii) the limits and conditions which apply to federal Medicaid funding for this service;

185.11 (2) for home care targeted case management, case managers may bill for direct case
185.12 management activities, including face-to-face and telephone contacts; and

185.13 (3) billings for targeted case management services under this subdivision shall not
185.14 duplicate payments made under other program authorities for the same purpose.

185.15 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
185.16 whichever is later. The commissioner of human services shall notify the revisor of statutes
185.17 when federal approval is obtained.

185.18 Sec. 10. Minnesota Statutes 2020, section 256B.0622, subdivision 7a, as amended by
185.19 Laws 2021, chapter 30, article 17, section 60, is amended to read:

185.20 Subd. 7a. **Assertive community treatment team staff requirements and roles.** (a)
185.21 The required treatment staff qualifications and roles for an ACT team are:

185.22 (1) the team leader:

185.23 (i) shall be a mental health professional. Individuals who are not licensed but who are
185.24 eligible for licensure and are otherwise qualified may also fulfill this role but must obtain
185.25 full licensure within 24 months of assuming the role of team leader;

185.26 (ii) must be an active member of the ACT team and provide some direct services to
185.27 clients;

185.28 (iii) must be a single full-time staff member, dedicated to the ACT team, who is
185.29 responsible for overseeing the administrative operations of the team, providing treatment
185.30 supervision of services in conjunction with the psychiatrist or psychiatric care provider, and
185.31 supervising team members to ensure delivery of best and ethical practices; and

186.1 (iv) must be available to provide overall treatment supervision to the ACT team after
186.2 regular business hours and on weekends and holidays. The team leader may delegate this
186.3 duty to another qualified member of the ACT team;

186.4 (2) the psychiatric care provider:

186.5 (i) must be a mental health professional permitted to prescribe psychiatric medications
186.6 as part of the mental health professional's scope of practice. The psychiatric care provider
186.7 must have demonstrated clinical experience working with individuals with serious and
186.8 persistent mental illness;

186.9 (ii) shall collaborate with the team leader in sharing overall clinical responsibility for
186.10 screening and admitting clients; monitoring clients' treatment and team member service
186.11 delivery; educating staff on psychiatric and nonpsychiatric medications, their side effects,
186.12 and health-related conditions; actively collaborating with nurses; and helping provide
186.13 treatment supervision to the team;

186.14 (iii) shall fulfill the following functions for assertive community treatment clients:
186.15 provide assessment and treatment of clients' symptoms and response to medications, including
186.16 side effects; provide brief therapy to clients; provide diagnostic and medication education
186.17 to clients, with medication decisions based on shared decision making; monitor clients'
186.18 nonpsychiatric medical conditions and nonpsychiatric medications; and conduct home and
186.19 community visits;

186.20 (iv) shall serve as the point of contact for psychiatric treatment if a client is hospitalized
186.21 for mental health treatment and shall communicate directly with the client's inpatient
186.22 psychiatric care providers to ensure continuity of care;

186.23 (v) shall have a minimum full-time equivalency that is prorated at a rate of 16 hours per
186.24 50 clients. Part-time psychiatric care providers shall have designated hours to work on the
186.25 team, with sufficient blocks of time on consistent days to carry out the provider's clinical,
186.26 supervisory, and administrative responsibilities. No more than two psychiatric care providers
186.27 may share this role; and

186.28 ~~(vi) may not provide specific roles and responsibilities by telemedicine unless approved~~
186.29 ~~by the commissioner; and~~

186.30 ~~(vii)~~ (vi) shall provide psychiatric backup to the program after regular business hours
186.31 and on weekends and holidays. The psychiatric care provider may delegate this duty to
186.32 another qualified psychiatric provider;

186.33 (3) the nursing staff:

187.1 (i) shall consist of one to three registered nurses or advanced practice registered nurses,
187.2 of whom at least one has a minimum of one-year experience working with adults with
187.3 serious mental illness and a working knowledge of psychiatric medications. No more than
187.4 two individuals can share a full-time equivalent position;

187.5 (ii) are responsible for managing medication, administering and documenting medication
187.6 treatment, and managing a secure medication room; and

187.7 (iii) shall develop strategies, in collaboration with clients, to maximize taking medications
187.8 as prescribed; screen and monitor clients' mental and physical health conditions and
187.9 medication side effects; engage in health promotion, prevention, and education activities;
187.10 communicate and coordinate services with other medical providers; facilitate the development
187.11 of the individual treatment plan for clients assigned; and educate the ACT team in monitoring
187.12 psychiatric and physical health symptoms and medication side effects;

187.13 (4) the co-occurring disorder specialist:

187.14 (i) shall be a full-time equivalent co-occurring disorder specialist who has received
187.15 specific training on co-occurring disorders that is consistent with national evidence-based
187.16 practices. The training must include practical knowledge of common substances and how
187.17 they affect mental illnesses, the ability to assess substance use disorders and the client's
187.18 stage of treatment, motivational interviewing, and skills necessary to provide counseling to
187.19 clients at all different stages of change and treatment. The co-occurring disorder specialist
187.20 may also be an individual who is a licensed alcohol and drug counselor as described in
187.21 section 148F.01, subdivision 5, or a counselor who otherwise meets the training, experience,
187.22 and other requirements in section 245G.11, subdivision 5. No more than two co-occurring
187.23 disorder specialists may occupy this role; and

187.24 (ii) shall provide or facilitate the provision of co-occurring disorder treatment to clients.
187.25 The co-occurring disorder specialist shall serve as a consultant and educator to fellow ACT
187.26 team members on co-occurring disorders;

187.27 (5) the vocational specialist:

187.28 (i) shall be a full-time vocational specialist who has at least one-year experience providing
187.29 employment services or advanced education that involved field training in vocational services
187.30 to individuals with mental illness. An individual who does not meet these qualifications
187.31 may also serve as the vocational specialist upon completing a training plan approved by the
187.32 commissioner;

188.1 (ii) shall provide or facilitate the provision of vocational services to clients. The vocational
188.2 specialist serves as a consultant and educator to fellow ACT team members on these services;
188.3 and

188.4 (iii) must not refer individuals to receive any type of vocational services or linkage by
188.5 providers outside of the ACT team;

188.6 (6) the mental health certified peer specialist:

188.7 (i) shall be a full-time equivalent. No more than two individuals can share this position.
188.8 The mental health certified peer specialist is a fully integrated team member who provides
188.9 highly individualized services in the community and promotes the self-determination and
188.10 shared decision-making abilities of clients. This requirement may be waived due to workforce
188.11 shortages upon approval of the commissioner;

188.12 (ii) must provide coaching, mentoring, and consultation to the clients to promote recovery,
188.13 self-advocacy, and self-direction, promote wellness management strategies, and assist clients
188.14 in developing advance directives; and

188.15 (iii) must model recovery values, attitudes, beliefs, and personal action to encourage
188.16 wellness and resilience, provide consultation to team members, promote a culture where
188.17 the clients' points of view and preferences are recognized, understood, respected, and
188.18 integrated into treatment, and serve in a manner equivalent to other team members;

188.19 (7) the program administrative assistant shall be a full-time office-based program
188.20 administrative assistant position assigned to solely work with the ACT team, providing a
188.21 range of supports to the team, clients, and families; and

188.22 (8) additional staff:

188.23 (i) shall be based on team size. Additional treatment team staff may include mental
188.24 health professionals; clinical trainees; certified rehabilitation specialists; mental health
188.25 practitioners; or mental health rehabilitation workers. These individuals shall have the
188.26 knowledge, skills, and abilities required by the population served to carry out rehabilitation
188.27 and support functions; and

188.28 (ii) shall be selected based on specific program needs or the population served.

188.29 (b) Each ACT team must clearly document schedules for all ACT team members.

188.30 (c) Each ACT team member must serve as a primary team member for clients assigned
188.31 by the team leader and are responsible for facilitating the individual treatment plan process
188.32 for those clients. The primary team member for a client is the responsible team member

189.1 knowledgeable about the client's life and circumstances and writes the individual treatment
189.2 plan. The primary team member provides individual supportive therapy or counseling, and
189.3 provides primary support and education to the client's family and support system.

189.4 (d) Members of the ACT team must have strong clinical skills, professional qualifications,
189.5 experience, and competency to provide a full breadth of rehabilitation services. Each staff
189.6 member shall be proficient in their respective discipline and be able to work collaboratively
189.7 as a member of a multidisciplinary team to deliver the majority of the treatment,
189.8 rehabilitation, and support services clients require to fully benefit from receiving assertive
189.9 community treatment.

189.10 (e) Each ACT team member must fulfill training requirements established by the
189.11 commissioner.

189.12 Sec. 11. Minnesota Statutes 2020, section 256B.0625, subdivision 3b, as amended by
189.13 Laws 2021, chapter 30, article 17, section 71, is amended to read:

189.14 Subd. 3b. **Telemedicine Telehealth services.** (a) Medical assistance covers medically
189.15 necessary services and consultations delivered by a ~~licensed~~ health care provider ~~via~~
189.16 ~~telemedicine~~ through telehealth in the same manner as if the service or consultation was
189.17 delivered ~~in person through in-person contact.~~ ~~Coverage is limited to three telemedicine~~
189.18 ~~services per enrollee per calendar week, except as provided in paragraph (f).~~ ~~Telemedicine~~
189.19 Services or consultations delivered through telehealth shall be paid at the full allowable
189.20 rate.

189.21 (b) The commissioner ~~shall~~ may establish criteria that a health care provider must attest
189.22 to in order to demonstrate the safety or efficacy of delivering a particular service ~~via~~
189.23 ~~telemedicine~~ through telehealth. The attestation may include that the health care provider:

189.24 (1) has identified the categories or types of services the health care provider will provide
189.25 ~~via telemedicine~~ through telehealth;

189.26 (2) has written policies and procedures specific to ~~telemedicine~~ services delivered through
189.27 telehealth that are regularly reviewed and updated;

189.28 (3) has policies and procedures that adequately address patient safety before, during,
189.29 and after the ~~telemedicine~~ service is ~~rendered~~ delivered through telehealth;

189.30 (4) has established protocols addressing how and when to discontinue telemedicine
189.31 services; and

190.1 (5) has an established quality assurance process related to ~~telemedicine~~ delivering services
 190.2 through telehealth.

190.3 (c) As a condition of payment, a licensed health care provider must document each
 190.4 occurrence of a health service ~~provided by telemedicine~~ delivered through telehealth to a
 190.5 medical assistance enrollee. Health care service records for services ~~provided by telemedicine~~
 190.6 delivered through telehealth must meet the requirements set forth in Minnesota Rules, part
 190.7 9505.2175, subparts 1 and 2, and must document:

190.8 (1) the type of service ~~provided by telemedicine~~ delivered through telehealth;

190.9 (2) the time the service began and the time the service ended, including an a.m. and p.m.
 190.10 designation;

190.11 (3) the ~~licensed~~ health care provider's basis for determining that ~~telemedicine~~ telehealth
 190.12 is an appropriate and effective means for delivering the service to the enrollee;

190.13 (4) the mode of transmission ~~of~~ used to deliver the telemedicine service through telehealth
 190.14 and records evidencing that a particular mode of transmission was utilized;

190.15 (5) the location of the originating site and the distant site;

190.16 (6) if the claim for payment is based on a physician's ~~telemedicine~~ consultation with
 190.17 another physician through telehealth, the written opinion from the consulting physician
 190.18 providing the ~~telemedicine~~ telehealth consultation; and

190.19 (7) compliance with the criteria attested to by the health care provider in accordance
 190.20 with paragraph (b).

190.21 (d) Telehealth visits, as described in this subdivision provided through audio and visual
 190.22 communication, may be used to satisfy the face-to-face requirement for reimbursement
 190.23 under the payment methods that apply to a federally qualified health center, rural health
 190.24 clinic, Indian health service, 638 tribal clinic, and certified community behavioral health
 190.25 clinic, if the service would have otherwise qualified for payment if performed in person.

190.26 (e) For mental health services or assessments delivered through telehealth that are based
 190.27 on an individual treatment plan, the provider may document the client's verbal approval or
 190.28 electronic written approval of the treatment plan or change in the treatment plan in lieu of
 190.29 the client's signature in accordance with Minnesota Rules, part 9505.0371.

190.30 ~~(d)~~ (f) For purposes of this subdivision, unless otherwise covered under this chapter,
 190.31 ~~"telemedicine" is defined as the delivery of health care services or consultations while the~~
 190.32 ~~patient is at an originating site and the licensed health care provider is at a distant site. A~~

191.1 ~~communication between licensed health care providers, or a licensed health care provider~~
 191.2 ~~and a patient that consists solely of a telephone conversation, e-mail, or facsimile transmission~~
 191.3 ~~does not constitute telemedicine consultations or services. Telemedicine may be provided~~
 191.4 ~~by means of real-time two-way, interactive audio and visual communications, including the~~
 191.5 ~~application of secure video conferencing or store-and-forward technology to provide or~~
 191.6 ~~support health care delivery, which facilitate the assessment, diagnosis, consultation,~~
 191.7 ~~treatment, education, and care management of a patient's health care.:~~

191.8 (1) "telehealth" means the delivery of health care services or consultations through the
 191.9 use of real time two-way interactive audio and visual communication to provide or support
 191.10 health care delivery and facilitate the assessment, diagnosis, consultation, treatment,
 191.11 education, and care management of a patient's health care. Telehealth includes the application
 191.12 of secure video conferencing, store-and-forward technology, and synchronous interactions
 191.13 between a patient located at an originating site and a health care provider located at a distant
 191.14 site. Telehealth does not include communication between health care providers, or between
 191.15 a health care provider and a patient that consists solely of an audio-only communication,
 191.16 e-mail, or facsimile transmission or specified by law;

191.17 ~~(e) For purposes of this section, "licensed (2) "health care provider" means a licensed~~
 191.18 ~~health care provider under section 62A.671, subdivision 6 as defined under section 62A.673,~~
 191.19 ~~a community paramedic as defined under section 144E.001, subdivision 5f, a clinical trainee~~
 191.20 ~~who is qualified according to section 245I.04, subdivision 6, a mental health practitioner~~
 191.21 ~~qualified according to section 245I.04, subdivision 4, and a community health worker who~~
 191.22 ~~meets the criteria under subdivision 49, paragraph (a); "health care provider" is defined~~
 191.23 ~~under section 62A.671, subdivision 3, a mental health certified peer specialist under section~~
 191.24 ~~256B.0615, subdivision 5, a mental health certified family peer specialist under section~~
 191.25 ~~256B.0616, subdivision 5, a mental health rehabilitation worker under section 256B.0623,~~
 191.26 ~~subdivision 5, paragraph (a), clause (4), and paragraph (b), a mental health behavioral aide~~
 191.27 ~~under section 256B.0943, subdivision 7, paragraph (b), clause (3), a treatment coordinator~~
 191.28 ~~under section 245G.11, subdivision 7, an alcohol and drug counselor under section 245G.11,~~
 191.29 ~~subdivision 5, a recovery peer under section 245G.11, subdivision 8; and~~

191.30 ~~(3) "originating site," is defined under section 62A.671, subdivision 7 "distant site," and~~
 191.31 ~~"store-and-forward technology" have the meanings given in section 62A.673, subdivision~~
 191.32 ~~2.~~

191.33 ~~(f) The limit on coverage of three telemedicine services per enrollee per calendar week~~
 191.34 ~~does not apply if:~~

192.1 ~~(1) the telemedicine services provided by the licensed health care provider are for the~~
192.2 ~~treatment and control of tuberculosis; and~~

192.3 ~~(2) the services are provided in a manner consistent with the recommendations and best~~
192.4 ~~practices specified by the Centers for Disease Control and Prevention and the commissioner~~
192.5 ~~of health.~~

192.6 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
192.7 whichever is later. The commissioner of human services shall notify the revisor of statutes
192.8 when federal approval is obtained.

192.9 Sec. 12. Minnesota Statutes 2020, section 256B.0625, is amended by adding a subdivision
192.10 to read:

192.11 Subd. 3h. **Telemonitoring services.** (a) Medical assistance covers telemonitoring services
192.12 if:

192.13 (1) the telemonitoring service is medically appropriate based on the recipient's medical
192.14 condition or status;

192.15 (2) the recipient's health care provider has identified that telemonitoring services would
192.16 likely prevent the recipient's admission or readmission to a hospital, emergency room, or
192.17 nursing facility;

192.18 (3) the recipient is cognitively and physically capable of operating the monitoring device
192.19 or equipment, or the recipient has a caregiver who is willing and able to assist with the
192.20 monitoring device or equipment; and

192.21 (4) the recipient resides in a setting that is suitable for telemonitoring and not in a setting
192.22 that has health care staff on site.

192.23 (b) For purposes of this subdivision, "telemonitoring services" means the remote
192.24 monitoring of data related to a recipient's vital signs or biometric data by a monitoring
192.25 device or equipment that transmits the data electronically to a provider for analysis. The
192.26 assessment and monitoring of the health data transmitted by telemonitoring must be
192.27 performed by one of the following licensed health care professionals: physician, podiatrist,
192.28 registered nurse, advanced practice registered nurse, physician assistant, respiratory therapist,
192.29 or licensed professional working under the supervision of a medical director.

192.30 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
192.31 whichever is later. The commissioner of human services shall notify the revisor of statutes
192.32 when federal approval is obtained.

193.1 Sec. 13. Minnesota Statutes 2020, section 256B.0625, subdivision 13h, is amended to
193.2 read:

193.3 Subd. 13h. **Medication therapy management services.** (a) Medical assistance covers
193.4 medication therapy management services for a recipient taking prescriptions to treat or
193.5 prevent one or more chronic medical conditions. For purposes of this subdivision,
193.6 "medication therapy management" means the provision of the following pharmaceutical
193.7 care services by a licensed pharmacist to optimize the therapeutic outcomes of the patient's
193.8 medications:

193.9 (1) performing or obtaining necessary assessments of the patient's health status;

193.10 (2) formulating a medication treatment plan, which may include prescribing medications
193.11 or products in accordance with section 151.37, subdivision 14, 15, or 16;

193.12 (3) monitoring and evaluating the patient's response to therapy, including safety and
193.13 effectiveness;

193.14 (4) performing a comprehensive medication review to identify, resolve, and prevent
193.15 medication-related problems, including adverse drug events;

193.16 (5) documenting the care delivered and communicating essential information to the
193.17 patient's other primary care providers;

193.18 (6) providing verbal education and training designed to enhance patient understanding
193.19 and appropriate use of the patient's medications;

193.20 (7) providing information, support services, and resources designed to enhance patient
193.21 adherence with the patient's therapeutic regimens; and

193.22 (8) coordinating and integrating medication therapy management services within the
193.23 broader health care management services being provided to the patient.

193.24 Nothing in this subdivision shall be construed to expand or modify the scope of practice of
193.25 the pharmacist as defined in section 151.01, subdivision 27.

193.26 (b) To be eligible for reimbursement for services under this subdivision, a pharmacist
193.27 must meet the following requirements:

193.28 (1) have a valid license issued by the Board of Pharmacy of the state in which the
193.29 medication therapy management service is being performed;

193.30 (2) have graduated from an accredited college of pharmacy on or after May 1996, or
193.31 completed a structured and comprehensive education program approved by the Board of
193.32 Pharmacy and the American Council of Pharmaceutical Education for the provision and

194.1 documentation of pharmaceutical care management services that has both clinical and
 194.2 didactic elements; and

194.3 ~~(3) be practicing in an ambulatory care setting as part of a multidisciplinary team or~~
 194.4 ~~have developed a structured patient care process that is offered in a private or semiprivate~~
 194.5 ~~patient care area that is separate from the commercial business that also occurs in the setting,~~
 194.6 ~~or in home settings, including long-term care settings, group homes, and facilities providing~~
 194.7 ~~assisted living services, but excluding skilled nursing facilities; and~~

194.8 ~~(4)~~ (3) make use of an electronic patient record system that meets state standards.

194.9 (c) For purposes of reimbursement for medication therapy management services, the
 194.10 commissioner may enroll individual pharmacists as medical assistance providers. The
 194.11 commissioner may also establish ~~contact requirements between the pharmacist and recipient,~~
 194.12 ~~including limiting~~ limits on the number of reimbursable consultations per recipient.

194.13 ~~(d) If there are no pharmacists who meet the requirements of paragraph (b) practicing~~
 194.14 ~~within a reasonable geographic distance of the patient, a pharmacist who meets the~~
 194.15 ~~requirements may provide~~ The Medication therapy management services may be provided
 194.16 via two-way interactive video telehealth as defined in subdivision 3b and may be delivered
 194.17 into a patient's residence. Reimbursement shall be at the same rates and under the same
 194.18 conditions that would otherwise apply to the services provided. To qualify for reimbursement
 194.19 under this paragraph, the pharmacist providing the services must meet the requirements of
 194.20 paragraph (b), ~~and must be located within an ambulatory care setting that meets the~~
 194.21 ~~requirements of paragraph (b), clause (3).~~ ~~The patient must also be located within an~~
 194.22 ~~ambulatory care setting that meets the requirements of paragraph (b), clause (3).~~ ~~Services~~
 194.23 ~~provided under this paragraph may not be transmitted into the patient's residence.~~

194.24 ~~(e) Medication therapy management services may be delivered into a patient's residence~~
 194.25 ~~via secure interactive video if the medication therapy management services are performed~~
 194.26 ~~electronically during a covered home care visit by an enrolled provider. Reimbursement~~
 194.27 ~~shall be at the same rates and under the same conditions that would otherwise apply to the~~
 194.28 ~~services provided. To qualify for reimbursement under this paragraph, the pharmacist~~
 194.29 ~~providing the services must meet the requirements of paragraph (b) and must be located~~
 194.30 ~~within an ambulatory care setting that meets the requirements of paragraph (b), clause (3).~~

194.31 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
 194.32 whichever is later. The commissioner of human services shall notify the revisor of statutes
 194.33 when federal approval is obtained.

195.1 Sec. 14. Minnesota Statutes 2020, section 256B.0625, subdivision 20, is amended to read:

195.2 Subd. 20. **Mental health case management.** (a) To the extent authorized by rule of the
195.3 state agency, medical assistance covers case management services to persons with serious
195.4 and persistent mental illness and children with severe emotional disturbance. Services
195.5 provided under this section must meet the relevant standards in sections 245.461 to 245.4887,
195.6 the Comprehensive Adult and Children's Mental Health Acts, Minnesota Rules, parts
195.7 9520.0900 to 9520.0926, and 9505.0322, excluding subpart 10.

195.8 (b) Entities meeting program standards set out in rules governing family community
195.9 support services as defined in section 245.4871, subdivision 17, are eligible for medical
195.10 assistance reimbursement for case management services for children with severe emotional
195.11 disturbance when these services meet the program standards in Minnesota Rules, parts
195.12 9520.0900 to 9520.0926 and 9505.0322, excluding subparts 6 and 10.

195.13 (c) Medical assistance and MinnesotaCare payment for mental health case management
195.14 shall be made on a monthly basis. In order to receive payment for an eligible child, the
195.15 provider must document at least a face-to-face contact either in person or by interactive
195.16 video that meets the requirements of subdivision 20b with the child, the child's parents, or
195.17 the child's legal representative. To receive payment for an eligible adult, the provider must
195.18 document:

195.19 (1) at least a face-to-face contact with the adult or the adult's legal representative ~~or a~~
195.20 ~~contact by interactive video~~ either in person or by interactive video that meets the
195.21 requirements of subdivision 20b; or

195.22 (2) at least a telephone contact with the adult or the adult's legal representative and
195.23 document a face-to-face contact ~~or a contact by interactive video~~ either in person or by
195.24 interactive video that meets the requirements of subdivision 20b with the adult or the adult's
195.25 legal representative within the preceding two months.

195.26 (d) Payment for mental health case management provided by county or state staff shall
195.27 be based on the monthly rate methodology under section 256B.094, subdivision 6, paragraph
195.28 (b), with separate rates calculated for child welfare and mental health, and within mental
195.29 health, separate rates for children and adults.

195.30 (e) Payment for mental health case management provided by Indian health services or
195.31 by agencies operated by Indian tribes may be made according to this section or other relevant
195.32 federally approved rate setting methodology.

196.1 (f) Payment for mental health case management provided by vendors who contract with
196.2 a county or Indian tribe shall be based on a monthly rate negotiated by the host county or
196.3 tribe. The negotiated rate must not exceed the rate charged by the vendor for the same
196.4 service to other payers. If the service is provided by a team of contracted vendors, the county
196.5 or tribe may negotiate a team rate with a vendor who is a member of the team. The team
196.6 shall determine how to distribute the rate among its members. No reimbursement received
196.7 by contracted vendors shall be returned to the county or tribe, except to reimburse the county
196.8 or tribe for advance funding provided by the county or tribe to the vendor.

196.9 (g) If the service is provided by a team which includes contracted vendors, tribal staff,
196.10 and county or state staff, the costs for county or state staff participation in the team shall be
196.11 included in the rate for county-provided services. In this case, the contracted vendor, the
196.12 tribal agency, and the county may each receive separate payment for services provided by
196.13 each entity in the same month. In order to prevent duplication of services, each entity must
196.14 document, in the recipient's file, the need for team case management and a description of
196.15 the roles of the team members.

196.16 (h) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for
196.17 mental health case management shall be provided by the recipient's county of responsibility,
196.18 as defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds
196.19 used to match other federal funds. If the service is provided by a tribal agency, the nonfederal
196.20 share, if any, shall be provided by the recipient's tribe. When this service is paid by the state
196.21 without a federal share through fee-for-service, 50 percent of the cost shall be provided by
196.22 the recipient's county of responsibility.

196.23 (i) Notwithstanding any administrative rule to the contrary, prepaid medical assistance
196.24 and MinnesotaCare include mental health case management. When the service is provided
196.25 through prepaid capitation, the nonfederal share is paid by the state and the county pays no
196.26 share.

196.27 (j) The commissioner may suspend, reduce, or terminate the reimbursement to a provider
196.28 that does not meet the reporting or other requirements of this section. The county of
196.29 responsibility, as defined in sections 256G.01 to 256G.12, or, if applicable, the tribal agency,
196.30 is responsible for any federal disallowances. The county or tribe may share this responsibility
196.31 with its contracted vendors.

196.32 (k) The commissioner shall set aside a portion of the federal funds earned for county
196.33 expenditures under this section to repay the special revenue maximization account under
196.34 section 256.01, subdivision 2, paragraph (o). The repayment is limited to:

197.1 (1) the costs of developing and implementing this section; and

197.2 (2) programming the information systems.

197.3 (l) Payments to counties and tribal agencies for case management expenditures under
197.4 this section shall only be made from federal earnings from services provided under this
197.5 section. When this service is paid by the state without a federal share through fee-for-service,
197.6 50 percent of the cost shall be provided by the state. Payments to county-contracted vendors
197.7 shall include the federal earnings, the state share, and the county share.

197.8 (m) Case management services under this subdivision do not include therapy, treatment,
197.9 legal, or outreach services.

197.10 (n) If the recipient is a resident of a nursing facility, intermediate care facility, or hospital,
197.11 and the recipient's institutional care is paid by medical assistance, payment for case
197.12 management services under this subdivision is limited to the lesser of:

197.13 (1) the last 180 days of the recipient's residency in that facility and may not exceed more
197.14 than six months in a calendar year; or

197.15 (2) the limits and conditions which apply to federal Medicaid funding for this service.

197.16 (o) Payment for case management services under this subdivision shall not duplicate
197.17 payments made under other program authorities for the same purpose.

197.18 (p) If the recipient is receiving care in a hospital, nursing facility, or residential setting
197.19 licensed under chapter 245A or 245D that is staffed 24 hours a day, seven days a week,
197.20 mental health targeted case management services must actively support identification of
197.21 community alternatives for the recipient and discharge planning.

197.22 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
197.23 whichever is later. The commissioner of human services shall notify the revisor of statutes
197.24 when federal approval is obtained.

197.25 Sec. 15. Minnesota Statutes 2020, section 256B.0625, subdivision 20b, is amended to
197.26 read:

197.27 Subd. 20b. ~~Mental health Targeted case management through interactive video.~~ (a)
197.28 ~~Subject to federal approval, contact made for targeted case management by interactive video~~
197.29 ~~shall be eligible for payment if:~~ Minimum required face-to-face contacts for targeted case
197.30 management may be provided through interactive video if interactive video is in the best
197.31 interests of the person and is deemed appropriate by the person receiving targeted case
197.32 management or the person's legal guardian and the case management provider.

- 198.1 ~~(1) the person receiving targeted case management services is residing in:~~
- 198.2 ~~(i) a hospital;~~
- 198.3 ~~(ii) a nursing facility; or~~
- 198.4 ~~(iii) a residential setting licensed under chapter 245A or 245D or a boarding and lodging~~
- 198.5 ~~establishment or lodging establishment that provides supportive services or health supervision~~
- 198.6 ~~services according to section 157.17 that is staffed 24 hours a day, seven days a week;~~
- 198.7 ~~(2) interactive video is in the best interests of the person and is deemed appropriate by~~
- 198.8 ~~the person receiving targeted case management or the person's legal guardian, the case~~
- 198.9 ~~management provider, and the provider operating the setting where the person is residing;~~
- 198.10 ~~(3) the use of interactive video is approved as part of the person's written personal service~~
- 198.11 ~~or case plan, taking into consideration the person's vulnerability and active personal~~
- 198.12 ~~relationships; and~~
- 198.13 ~~(4) interactive video is used for up to, but not more than, 50 percent of the minimum~~
- 198.14 ~~required face-to-face contact.~~
- 198.15 (b) The person receiving targeted case management or the person's legal guardian has
- 198.16 the right to choose and consent to the use of interactive video under this subdivision and
- 198.17 has the right to refuse the use of interactive video at any time.
- 198.18 (c) The commissioner ~~shall~~ may establish criteria that a targeted case management
- 198.19 provider must attest to in order to demonstrate the safety or efficacy of ~~delivering the service~~
- 198.20 ~~via interactive video. The attestation may include that the case management provider has:~~
- 198.21 meeting the minimum face-to-face contact requirements for targeted case management
- 198.22 through interactive video.
- 198.23 ~~(1) written policies and procedures specific to interactive video services that are regularly~~
- 198.24 ~~reviewed and updated;~~
- 198.25 ~~(2) policies and procedures that adequately address client safety before, during, and after~~
- 198.26 ~~the interactive video services are rendered;~~
- 198.27 ~~(3) established protocols addressing how and when to discontinue interactive video~~
- 198.28 ~~services; and~~
- 198.29 ~~(4) established a quality assurance process related to interactive video services.~~
- 198.30 (d) As a condition of payment, the targeted case management provider must document
- 198.31 the following for each occurrence of targeted case management provided by interactive
- 198.32 video for the purpose of face-to-face contact:

199.1 (1) the time the ~~service~~ contact began and the time the ~~service~~ contact ended, including
 199.2 an a.m. and p.m. designation;

199.3 (2) the basis for determining that interactive video is an appropriate and effective means
 199.4 for ~~delivering the service to~~ contacting the person receiving targeted case management
 199.5 services;

199.6 (3) the mode of transmission ~~of the interactive video~~ used to deliver the services and
 199.7 records ~~evidencing~~ stating that a particular mode of transmission was utilized; and

199.8 (4) the location of the originating site and the distant site; ~~and.~~

199.9 ~~(5) compliance with the criteria attested to by the targeted case management provider~~
 199.10 ~~as provided in paragraph (e).~~

199.11 (e) Interactive video must not be used to meet minimum face-to-face contact requirements
 199.12 for children who are in out-of-home placement or receiving case management services for
 199.13 child protection reasons.

199.14 (f) For purposes of this subdivision, "interactive video" means the delivery of targeted
 199.15 case management services in real time through the use of two-way interactive audio and
 199.16 visual communication.

199.17 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
 199.18 whichever is later. The commissioner of human services shall notify the revisor of statutes
 199.19 when federal approval is obtained.

199.20 Sec. 16. Minnesota Statutes 2020, section 256B.0625, subdivision 46, is amended to read:

199.21 Subd. 46. **Mental health ~~telemedicine~~ telehealth.** ~~Effective January 1, 2006, and Subject~~
 199.22 ~~to federal approval, mental health services that are otherwise covered by medical assistance~~
 199.23 ~~as direct face-to-face services may be provided via two-way interactive video~~ telehealth in
 199.24 accordance with subdivision 3b. ~~Use of two-way interactive video must be medically~~
 199.25 ~~appropriate to the condition and needs of the person being served. Reimbursement is at the~~
 199.26 ~~same rates and under the same conditions that would otherwise apply to the service. The~~
 199.27 ~~interactive video equipment and connection must comply with Medicare standards in effect~~
 199.28 ~~at the time the service is provided.~~

199.29 Sec. 17. Minnesota Statutes 2020, section 256B.0911, subdivision 1a, is amended to read:

199.30 Subd. 1a. **Definitions.** For purposes of this section, the following definitions apply:

200.1 (a) Until additional requirements apply under paragraph (b), "long-term care consultation
200.2 services" means:

200.3 (1) intake for and access to assistance in identifying services needed to maintain an
200.4 individual in the most inclusive environment;

200.5 (2) providing recommendations for and referrals to cost-effective community services
200.6 that are available to the individual;

200.7 (3) development of an individual's person-centered community support plan;

200.8 (4) providing information regarding eligibility for Minnesota health care programs;

200.9 (5) ~~face-to-face~~ long-term care consultation assessments conducted according to
200.10 subdivision 3a, which may be completed in a hospital, nursing facility, intermediate care
200.11 facility for persons with developmental disabilities (ICF/DDs), regional treatment centers,
200.12 or the person's current or planned residence;

200.13 (6) determination of home and community-based waiver and other service eligibility as
200.14 required under chapter 256S and sections 256B.0913, 256B.092, and 256B.49, including
200.15 level of care determination for individuals who need an institutional level of care as
200.16 determined under subdivision 4e, based on a long-term care consultation assessment and
200.17 community support plan development, appropriate referrals to obtain necessary diagnostic
200.18 information, and including an eligibility determination for consumer-directed community
200.19 supports;

200.20 (7) providing recommendations for institutional placement when there are no
200.21 cost-effective community services available;

200.22 (8) providing access to assistance to transition people back to community settings after
200.23 institutional admission;

200.24 (9) providing information about competitive employment, with or without supports, for
200.25 school-age youth and working-age adults and referrals to the Disability Hub and Disability
200.26 Benefits 101 to ensure that an informed choice about competitive employment can be made.
200.27 For the purposes of this subdivision, "competitive employment" means work in the
200.28 competitive labor market that is performed on a full-time or part-time basis in an integrated
200.29 setting, and for which an individual is compensated at or above the minimum wage, but not
200.30 less than the customary wage and level of benefits paid by the employer for the same or
200.31 similar work performed by individuals without disabilities;

200.32 (10) providing information about independent living to ensure that an informed choice
200.33 about independent living can be made; and

201.1 (11) providing information about self-directed services and supports, including
201.2 self-directed funding options, to ensure that an informed choice about self-directed options
201.3 can be made.

201.4 (b) Upon statewide implementation of lead agency requirements in subdivisions 2b, 2c,
201.5 and 3a, "long-term care consultation services" also means:

201.6 (1) service eligibility determination for the following state plan services:

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

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

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

201.10 (2) notwithstanding provisions in Minnesota Rules, parts 9525.0004 to 9525.0024,
201.11 gaining access to:

201.12 (i) relocation targeted case management services available under section 256B.0621,
201.13 subdivision 2, clause (4);

201.14 (ii) case management services targeted to vulnerable adults or developmental disabilities
201.15 under section 256B.0924; and

201.16 (iii) case management services targeted to people with developmental disabilities under
201.17 Minnesota Rules, part 9525.0016;

201.18 (3) determination of eligibility for semi-independent living services under section
201.19 252.275; and

201.20 (4) obtaining necessary diagnostic information to determine eligibility under clauses (2)
201.21 and (3).

201.22 (c) "Long-term care options counseling" means the services provided by sections 256.01,
201.23 subdivision 24, and 256.975, subdivision 7, and also includes telephone assistance and
201.24 follow up once a long-term care consultation assessment has been completed.

201.25 (d) "Minnesota health care programs" means the medical assistance program under this
201.26 chapter and the alternative care program under section 256B.0913.

201.27 (e) "Lead agencies" means counties administering or tribes and health plans under
201.28 contract with the commissioner to administer long-term care consultation services.

201.29 (f) "Person-centered planning" is a process that includes the active participation of a
201.30 person in the planning of the person's services, including in making meaningful and informed
201.31 choices about the person's own goals, talents, and objectives, as well as making meaningful

202.1 and informed choices about the services the person receives, the settings in which the person
202.2 receives the services, and the setting in which the person lives.

202.3 (g) "Informed choice" means a voluntary choice of services, settings, living arrangement,
202.4 and work by a person from all available service and setting options based on accurate and
202.5 complete information concerning all available service and setting options and concerning
202.6 the person's own preferences, abilities, goals, and objectives. In order for a person to make
202.7 an informed choice, all available options must be developed and presented to the person in
202.8 a way the person can understand to empower the person to make fully informed choices.

202.9 (h) "Available service and setting options" or "available options," with respect to the
202.10 home and community-based waivers under chapter 256S and sections 256B.092 and 256B.49,
202.11 means all services and settings defined under the waiver plan for which a waiver applicant
202.12 or waiver participant is eligible.

202.13 (i) "Independent living" means living in a setting that is not controlled by a provider.

202.14 Sec. 18. Minnesota Statutes 2020, section 256B.0911, subdivision 3a, as amended by
202.15 Laws 2021, chapter 30, article 12, section 2, is amended to read:

202.16 Subd. 3a. **Assessment and support planning.** (a) Persons requesting assessment, services
202.17 planning, or other assistance intended to support community-based living, including persons
202.18 who need assessment in order to determine waiver or alternative care program eligibility,
202.19 must be visited by a long-term care consultation team within 20 calendar days after the date
202.20 on which an assessment was requested or recommended. Upon statewide implementation
202.21 of subdivisions 2b, 2c, and 5, this requirement also applies to an assessment of a person
202.22 requesting personal care assistance services. The commissioner shall provide at least a
202.23 90-day notice to lead agencies prior to the effective date of this requirement. ~~Face-to-face~~
202.24 Assessments must be conducted according to paragraphs (b) to ~~(t)~~ (r).

202.25 (b) Upon implementation of subdivisions 2b, 2c, and 5, lead agencies shall use certified
202.26 assessors to conduct the assessment. For a person with complex health care needs, a public
202.27 health or registered nurse from the team must be consulted.

202.28 (c) The MnCHOICES assessment provided by the commissioner to lead agencies must
202.29 be used to complete a comprehensive, conversation-based, person-centered assessment.
202.30 The assessment must include the health, psychological, functional, environmental, and
202.31 social needs of the individual necessary to develop a person-centered community support
202.32 plan that meets the individual's needs and preferences.

203.1 (d) Except as provided in paragraph (r), the assessment must be conducted by a certified
203.2 assessor in a face-to-face conversational interview with the person being assessed. The
203.3 person's legal representative must provide input during the assessment process and may do
203.4 so remotely if requested. At the request of the person, other individuals may participate in
203.5 the assessment to provide information on the needs, strengths, and preferences of the person
203.6 necessary to develop a community support plan that ensures the person's health and safety.
203.7 Except for legal representatives or family members invited by the person, persons
203.8 participating in the assessment may not be a provider of service or have any financial interest
203.9 in the provision of services. For persons who are to be assessed for elderly waiver customized
203.10 living or adult day services under chapter 256S, with the permission of the person being
203.11 assessed or the person's designated or legal representative, the client's current or proposed
203.12 provider of services may submit a copy of the provider's nursing assessment or written
203.13 report outlining its recommendations regarding the client's care needs. The person conducting
203.14 the assessment must notify the provider of the date by which this information is to be
203.15 submitted. This information shall be provided to the person conducting the assessment prior
203.16 to the assessment. For a person who is to be assessed for waiver services under section
203.17 256B.092 or 256B.49, with the permission of the person being assessed or the person's
203.18 designated legal representative, the person's current provider of services may submit a
203.19 written report outlining recommendations regarding the person's care needs the person
203.20 completed in consultation with someone who is known to the person and has interaction
203.21 with the person on a regular basis. The provider must submit the report at least 60 days
203.22 before the end of the person's current service agreement. The certified assessor must consider
203.23 the content of the submitted report prior to finalizing the person's assessment or reassessment.

203.24 (e) The certified assessor and the individual responsible for developing the coordinated
203.25 service and support plan must complete the community support plan and the coordinated
203.26 service and support plan no more than 60 calendar days from the assessment visit. The
203.27 person or the person's legal representative must be provided with a written community
203.28 support plan within the timelines established by the commissioner, regardless of whether
203.29 the person is eligible for Minnesota health care programs.

203.30 (f) For a person being assessed for elderly waiver services under chapter 256S, a provider
203.31 who submitted information under paragraph (d) shall receive the final written community
203.32 support plan when available and the Residential Services Workbook.

203.33 (g) The written community support plan must include:

203.34 (1) a summary of assessed needs as defined in paragraphs (c) and (d);

- 204.1 (2) the individual's options and choices to meet identified needs, including:
- 204.2 (i) all available options for case management services and providers;
- 204.3 (ii) all available options for employment services, settings, and providers;
- 204.4 (iii) all available options for living arrangements;
- 204.5 (iv) all available options for self-directed services and supports, including self-directed
- 204.6 budget options; and
- 204.7 (v) service provided in a non-disability-specific setting;
- 204.8 (3) identification of health and safety risks and how those risks will be addressed,
- 204.9 including personal risk management strategies;
- 204.10 (4) referral information; and
- 204.11 (5) informal caregiver supports, if applicable.
- 204.12 For a person determined eligible for state plan home care under subdivision 1a, paragraph
- 204.13 (b), clause (1), the person or person's representative must also receive a copy of the home
- 204.14 care service plan developed by the certified assessor.
- 204.15 (h) A person may request assistance in identifying community supports without
- 204.16 participating in a complete assessment. Upon a request for assistance identifying community
- 204.17 support, the person must be transferred or referred to long-term care options counseling
- 204.18 services available under sections 256.975, subdivision 7, and 256.01, subdivision 24, for
- 204.19 telephone assistance and follow up.
- 204.20 (i) The person has the right to make the final decision:
- 204.21 (1) between institutional placement and community placement after the recommendations
- 204.22 have been provided, except as provided in section 256.975, subdivision 7a, paragraph (d);
- 204.23 (2) between community placement in a setting controlled by a provider and living
- 204.24 independently in a setting not controlled by a provider;
- 204.25 (3) between day services and employment services; and
- 204.26 (4) regarding available options for self-directed services and supports, including
- 204.27 self-directed funding options.
- 204.28 (j) The lead agency must give the person receiving long-term care consultation services
- 204.29 or the person's legal representative, materials, and forms supplied by the commissioner
- 204.30 containing the following information:

205.1 (1) written recommendations for community-based services and consumer-directed
205.2 options;

205.3 (2) documentation that the most cost-effective alternatives available were offered to the
205.4 individual. For purposes of this clause, "cost-effective" means community services and
205.5 living arrangements that cost the same as or less than institutional care. For an individual
205.6 found to meet eligibility criteria for home and community-based service programs under
205.7 chapter 256S or section 256B.49, "cost-effectiveness" has the meaning found in the federally
205.8 approved waiver plan for each program;

205.9 (3) the need for and purpose of preadmission screening conducted by long-term care
205.10 options counselors according to section 256.975, subdivisions 7a to 7c, if the person selects
205.11 nursing facility placement. If the individual selects nursing facility placement, the lead
205.12 agency shall forward information needed to complete the level of care determinations and
205.13 screening for developmental disability and mental illness collected during the assessment
205.14 to the long-term care options counselor using forms provided by the commissioner;

205.15 (4) the role of long-term care consultation assessment and support planning in eligibility
205.16 determination for waiver and alternative care programs, and state plan home care, case
205.17 management, and other services as defined in subdivision 1a, paragraphs (a), clause (6),
205.18 and (b);

205.19 (5) information about Minnesota health care programs;

205.20 (6) the person's freedom to accept or reject the recommendations of the team;

205.21 (7) the person's right to confidentiality under the Minnesota Government Data Practices
205.22 Act, chapter 13;

205.23 (8) the certified assessor's decision regarding the person's need for institutional level of
205.24 care as determined under criteria established in subdivision 4e and the certified assessor's
205.25 decision regarding eligibility for all services and programs as defined in subdivision 1a,
205.26 paragraphs (a), clause (6), and (b);

205.27 (9) the person's right to appeal the certified assessor's decision regarding eligibility for
205.28 all services and programs as defined in subdivision 1a, paragraphs (a), clauses (6), (7), and
205.29 (8), and (b), and incorporating the decision regarding the need for institutional level of care
205.30 or the lead agency's final decisions regarding public programs eligibility according to section
205.31 256.045, subdivision 3. The certified assessor must verbally communicate this appeal right
205.32 to the person and must visually point out where in the document the right to appeal is stated;
205.33 and

206.1 (10) documentation that available options for employment services, independent living,
206.2 and self-directed services and supports were described to the individual.

206.3 (k) ~~Face-to-face~~ An assessment that is completed as part of an eligibility determination
206.4 for multiple programs for the alternative care, elderly waiver, developmental disabilities,
206.5 community access for disability inclusion, community alternative care, and brain injury
206.6 waiver programs under chapter 256S and sections 256B.0913, 256B.092, and 256B.49 is
206.7 valid to establish service eligibility for no more than 60 calendar days after the date of the
206.8 assessment.

206.9 (l) The effective eligibility start date for programs in paragraph (k) can never be prior
206.10 to the date of assessment. If an assessment was completed more than 60 days before the
206.11 effective waiver or alternative care program eligibility start date, assessment and support
206.12 plan information must be updated and documented in the department's Medicaid Management
206.13 Information System (MMIS). Notwithstanding retroactive medical assistance coverage of
206.14 state plan services, the effective date of eligibility for programs included in paragraph (k)
206.15 cannot be prior to the date the most recent updated assessment is completed.

206.16 (m) If an eligibility update is completed within 90 days of the previous ~~face-to-face~~
206.17 assessment and documented in the department's Medicaid Management Information System
206.18 (MMIS), the effective date of eligibility for programs included in paragraph (k) is the date
206.19 of the previous face-to-face assessment when all other eligibility requirements are met.

206.20 (n) If a person who receives home and community-based waiver services under section
206.21 256B.0913, 256B.092, or 256B.49 or chapter 256S temporarily enters for 121 days or fewer
206.22 a hospital, institution of mental disease, nursing facility, intensive residential treatment
206.23 services program, transitional care unit, or inpatient substance use disorder treatment setting,
206.24 the person may return to the community with home and community-based waiver services
206.25 under the same waiver, without requiring an assessment or reassessment under this section,
206.26 unless the person's annual reassessment is otherwise due. Nothing in this paragraph shall
206.27 change annual long-term care consultation reassessment requirements, payment for
206.28 institutional or treatment services, medical assistance financial eligibility, or any other law.

206.29 (o) At the time of reassessment, the certified assessor shall assess each person receiving
206.30 waiver residential supports and services currently residing in a community residential setting,
206.31 licensed adult foster care home that is either not the primary residence of the license holder
206.32 or in which the license holder is not the primary caregiver, family adult foster care residence,
206.33 customized living setting, or supervised living facility to determine if that person would
206.34 prefer to be served in a community-living setting as defined in section 256B.49, subdivision

207.1 23, in a setting not controlled by a provider, or to receive integrated community supports
207.2 as described in section 245D.03, subdivision 1, paragraph (c), clause (8). The certified
207.3 assessor shall offer the person, through a person-centered planning process, the option to
207.4 receive alternative housing and service options.

207.5 (p) At the time of reassessment, the certified assessor shall assess each person receiving
207.6 waiver day services to determine if that person would prefer to receive employment services
207.7 as described in section 245D.03, subdivision 1, paragraph (c), clauses (5) to (7). The certified
207.8 assessor shall describe to the person through a person-centered planning process the option
207.9 to receive employment services.

207.10 (q) At the time of reassessment, the certified assessor shall assess each person receiving
207.11 non-self-directed waiver services to determine if that person would prefer an available
207.12 service and setting option that would permit self-directed services and supports. The certified
207.13 assessor shall describe to the person through a person-centered planning process the option
207.14 to receive self-directed services and supports.

207.15 (r) All assessments performed according to this subdivision must be face-to-face unless
207.16 the assessment is a reassessment meeting the requirements of this paragraph. Subject to
207.17 federal approval, remote reassessments conducted by interactive video or telephone may
207.18 substitute for face-to-face reassessments. For services provided by the developmental
207.19 disabilities waiver under section 256B.092, and the community access for disability inclusion,
207.20 community alternative care, and brain injury waiver programs under section 256B.49, remote
207.21 reassessments may be substituted for two consecutive reassessments if followed by a
207.22 face-to-face reassessment. For services provided by alternative care under section 256B.0913,
207.23 essential community supports under section 256B.0922, and the elderly waiver under chapter
207.24 256S, remote reassessments may be substituted for one reassessment if followed by a
207.25 face-to-face reassessment. A remote reassessment is permitted only if the person being
207.26 reassessed, or the person's legal representative, and the lead agency case manager both agree
207.27 that there is no change in the person's condition, there is no need for a change in service,
207.28 and that a remote reassessment is appropriate. The person being reassessed, or the person's
207.29 legal representative, has the right to refuse a remote reassessment at any time. During a
207.30 remote reassessment, if the certified assessor determines a face-to-face reassessment is
207.31 necessary in order to complete the assessment, the lead agency shall schedule a face-to-face
207.32 reassessment. All other requirements of a face-to-face reassessment shall apply to a remote
207.33 reassessment, including updates to a person's support plan.

208.1 Sec. 19. Minnesota Statutes 2020, section 256B.0911, subdivision 3f, is amended to read:

208.2 Subd. 3f. **Long-term care reassessments and community support plan updates.** (a)

208.3 Prior to a ~~face-to-face~~ reassessment, the certified assessor must review the person's most
208.4 recent assessment. Reassessments must be tailored using the professional judgment of the
208.5 assessor to the person's known needs, strengths, preferences, and circumstances.

208.6 Reassessments provide information to support the person's informed choice and opportunities
208.7 to express choice regarding activities that contribute to quality of life, as well as information
208.8 and opportunity to identify goals related to desired employment, community activities, and
208.9 preferred living environment. Reassessments require a review of the most recent assessment,
208.10 review of the current coordinated service and support plan's effectiveness, monitoring of
208.11 services, and the development of an updated person-centered community support plan.

208.12 Reassessments must verify continued eligibility, offer alternatives as warranted, and provide
208.13 an opportunity for quality assurance of service delivery. ~~Face-to-face~~ Reassessments must
208.14 be conducted annually or as required by federal and state laws and rules. For reassessments,
208.15 the certified assessor and the individual responsible for developing the coordinated service
208.16 and support plan must ensure the continuity of care for the person receiving services and
208.17 complete the updated community support plan and the updated coordinated service and
208.18 support plan no more than 60 days from the reassessment visit.

208.19 (b) The commissioner shall develop mechanisms for providers and case managers to
208.20 share information with the assessor to facilitate a reassessment and support planning process
208.21 tailored to the person's current needs and preferences.

208.22 Sec. 20. Minnesota Statutes 2020, section 256B.0924, subdivision 6, is amended to read:

208.23 Subd. 6. **Payment for targeted case management.** (a) Medical assistance and
208.24 MinnesotaCare payment for targeted case management shall be made on a monthly basis.
208.25 In order to receive payment for an eligible adult, the provider must document at least one
208.26 contact per month and not more than two consecutive months without a face-to-face contact
208.27 either in person or by interactive video that meets the requirements in section 256B.0625,
208.28 subdivision 20b with the adult or the adult's legal representative, family, primary caregiver,
208.29 or other relevant persons identified as necessary to the development or implementation of
208.30 the goals of the personal service plan.

208.31 (b) Payment for targeted case management provided by county staff under this subdivision
208.32 shall be based on the monthly rate methodology under section 256B.094, subdivision 6,
208.33 paragraph (b), calculated as one combined average rate together with adult mental health
208.34 case management under section 256B.0625, subdivision 20, except for calendar year 2002.

209.1 In calendar year 2002, the rate for case management under this section shall be the same as
209.2 the rate for adult mental health case management in effect as of December 31, 2001. Billing
209.3 and payment must identify the recipient's primary population group to allow tracking of
209.4 revenues.

209.5 (c) Payment for targeted case management provided by county-contracted vendors shall
209.6 be based on a monthly rate negotiated by the host county. The negotiated rate must not
209.7 exceed the rate charged by the vendor for the same service to other payers. If the service is
209.8 provided by a team of contracted vendors, the county may negotiate a team rate with a
209.9 vendor who is a member of the team. The team shall determine how to distribute the rate
209.10 among its members. No reimbursement received by contracted vendors shall be returned
209.11 to the county, except to reimburse the county for advance funding provided by the county
209.12 to the vendor.

209.13 (d) If the service is provided by a team that includes contracted vendors and county staff,
209.14 the costs for county staff participation on the team shall be included in the rate for
209.15 county-provided services. In this case, the contracted vendor and the county may each
209.16 receive separate payment for services provided by each entity in the same month. In order
209.17 to prevent duplication of services, the county must document, in the recipient's file, the need
209.18 for team targeted case management and a description of the different roles of the team
209.19 members.

209.20 (e) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for
209.21 targeted case management shall be provided by the recipient's county of responsibility, as
209.22 defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds
209.23 used to match other federal funds.

209.24 (f) The commissioner may suspend, reduce, or terminate reimbursement to a provider
209.25 that does not meet the reporting or other requirements of this section. The county of
209.26 responsibility, as defined in sections 256G.01 to 256G.12, is responsible for any federal
209.27 disallowances. The county may share this responsibility with its contracted vendors.

209.28 (g) The commissioner shall set aside five percent of the federal funds received under
209.29 this section for use in reimbursing the state for costs of developing and implementing this
209.30 section.

209.31 (h) Payments to counties for targeted case management expenditures under this section
209.32 shall only be made from federal earnings from services provided under this section. Payments
209.33 to contracted vendors shall include both the federal earnings and the county share.

210.1 (i) Notwithstanding section 256B.041, county payments for the cost of case management
 210.2 services provided by county staff shall not be made to the commissioner of management
 210.3 and budget. For the purposes of targeted case management services provided by county
 210.4 staff under this section, the centralized disbursement of payments to counties under section
 210.5 256B.041 consists only of federal earnings from services provided under this section.

210.6 (j) If the recipient is a resident of a nursing facility, intermediate care facility, or hospital,
 210.7 and the recipient's institutional care is paid by medical assistance, payment for targeted case
 210.8 management services under this subdivision is limited to the lesser of:

210.9 (1) the last 180 days of the recipient's residency in that facility; or

210.10 (2) the limits and conditions which apply to federal Medicaid funding for this service.

210.11 (k) Payment for targeted case management services under this subdivision shall not
 210.12 duplicate payments made under other program authorities for the same purpose.

210.13 (l) Any growth in targeted case management services and cost increases under this
 210.14 section shall be the responsibility of the counties.

210.15 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
 210.16 whichever is later. The commissioner of human services shall notify the revisor of statutes
 210.17 when federal approval is obtained.

210.18 Sec. 21. Minnesota Statutes 2020, section 256B.094, subdivision 6, is amended to read:

210.19 Subd. 6. **Medical assistance reimbursement of case management services.** (a) Medical
 210.20 assistance reimbursement for services under this section shall be made on a monthly basis.
 210.21 Payment is based on face-to-face contacts either in person or by interactive video, or
 210.22 telephone contacts between the case manager and the client, client's family, primary caregiver,
 210.23 legal representative, or other relevant person identified as necessary to the development or
 210.24 implementation of the goals of the individual service plan regarding the status of the client,
 210.25 the individual service plan, or the goals for the client. These contacts must meet the ~~minimum~~
 210.26 ~~standards in clauses (1) and (2)~~ following requirements:

210.27 (1) there must be a face-to-face contact either in person or by interactive video that meets
 210.28 the requirements of section 256B.0625, subdivision 20b, at least once a month except as
 210.29 provided in clause (2); and

210.30 (2) for a client placed outside of the county of financial responsibility, or a client served
 210.31 by tribal social services placed outside the reservation, in an excluded time facility under
 210.32 section 256G.02, subdivision 6, or through the Interstate Compact for the Placement of

211.1 Children, section 260.93, and the placement in either case is more than 60 miles beyond
211.2 the county or reservation boundaries, there must be at least one contact per month and not
211.3 more than two consecutive months without a face-to-face, in-person contact.

211.4 (b) Except as provided under paragraph (c), the payment rate is established using time
211.5 study data on activities of provider service staff and reports required under sections 245.482
211.6 and 256.01, subdivision 2, paragraph (p).

211.7 (c) Payments for tribes may be made according to section 256B.0625 or other relevant
211.8 federally approved rate setting methodology for child welfare targeted case management
211.9 provided by Indian health services and facilities operated by a tribe or tribal organization.

211.10 (d) Payment for case management provided by county or tribal social services contracted
211.11 vendors shall be based on a monthly rate negotiated by the host county or tribal social
211.12 services. The negotiated rate must not exceed the rate charged by the vendor for the same
211.13 service to other payers. If the service is provided by a team of contracted vendors, the county
211.14 or tribal social services may negotiate a team rate with a vendor who is a member of the
211.15 team. The team shall determine how to distribute the rate among its members. No
211.16 reimbursement received by contracted vendors shall be returned to the county or tribal social
211.17 services, except to reimburse the county or tribal social services for advance funding provided
211.18 by the county or tribal social services to the vendor.

211.19 (e) If the service is provided by a team that includes contracted vendors and county or
211.20 tribal social services staff, the costs for county or tribal social services staff participation in
211.21 the team shall be included in the rate for county or tribal social services provided services.
211.22 In this case, the contracted vendor and the county or tribal social services may each receive
211.23 separate payment for services provided by each entity in the same month. To prevent
211.24 duplication of services, each entity must document, in the recipient's file, the need for team
211.25 case management and a description of the roles and services of the team members.

211.26 Separate payment rates may be established for different groups of providers to maximize
211.27 reimbursement as determined by the commissioner. The payment rate will be reviewed
211.28 annually and revised periodically to be consistent with the most recent time study and other
211.29 data. Payment for services will be made upon submission of a valid claim and verification
211.30 of proper documentation described in subdivision 7. Federal administrative revenue earned
211.31 through the time study, or under paragraph (c), shall be distributed according to earnings,
211.32 to counties, reservations, or groups of counties or reservations which have the same payment
211.33 rate under this subdivision, and to the group of counties or reservations which are not

212.1 certified providers under section 256F.10. The commissioner shall modify the requirements
212.2 set out in Minnesota Rules, parts 9550.0300 to 9550.0370, as necessary to accomplish this.

212.3 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
212.4 whichever is later. The commissioner of human services shall notify the revisor of statutes
212.5 when federal approval is obtained.

212.6 Sec. 22. Minnesota Statutes 2020, section 256B.0943, subdivision 1, as amended by Laws
212.7 2021, chapter 30, article 17, section 81, is amended to read:

212.8 Subdivision 1. **Definitions.** For purposes of this section, the following terms have the
212.9 meanings given them.

212.10 (a) "Children's therapeutic services and supports" means the flexible package of mental
212.11 health services for children who require varying therapeutic and rehabilitative levels of
212.12 intervention to treat a diagnosed emotional disturbance, as defined in section 245.4871,
212.13 subdivision 15, or a diagnosed mental illness, as defined in section 245.462, subdivision
212.14 20. The services are time-limited interventions that are delivered using various treatment
212.15 modalities and combinations of services designed to reach treatment outcomes identified
212.16 in the individual treatment plan.

212.17 (b) "Clinical trainee" means a staff person who is qualified according to section 245I.04,
212.18 subdivision 6.

212.19 (c) "Crisis planning " has the meaning given in section 245.4871, subdivision 9a.

212.20 (d) "Culturally competent provider" means a provider who understands and can utilize
212.21 to a client's benefit the client's culture when providing services to the client. A provider
212.22 may be culturally competent because the provider is of the same cultural or ethnic group
212.23 as the client or the provider has developed the knowledge and skills through training and
212.24 experience to provide services to culturally diverse clients.

212.25 (e) "Day treatment program" for children means a site-based structured mental health
212.26 program consisting of psychotherapy for three or more individuals and individual or group
212.27 skills training provided by a team, under the treatment supervision of a mental health
212.28 professional.

212.29 (f) " Standard diagnostic assessment" means the assessment described in 245I.10,
212.30 subdivision 6.

212.31 (g) "Direct service time" means the time that a mental health professional, clinical trainee,
212.32 mental health practitioner, or mental health behavioral aide spends face-to-face with a client

213.1 and the client's family or providing covered ~~telemedicine~~ services through telehealth as
213.2 defined under section 256B.0625, subdivision 3b. Direct service time includes time in which
213.3 the provider obtains a client's history, develops a client's treatment plan, records individual
213.4 treatment outcomes, or provides service components of children's therapeutic services and
213.5 supports. Direct service time does not include time doing work before and after providing
213.6 direct services, including scheduling or maintaining clinical records.

213.7 (h) "Direction of mental health behavioral aide" means the activities of a mental health
213.8 professional, clinical trainee, or mental health practitioner in guiding the mental health
213.9 behavioral aide in providing services to a client. The direction of a mental health behavioral
213.10 aide must be based on the client's individual treatment plan and meet the requirements in
213.11 subdivision 6, paragraph (b), clause (5).

213.12 (i) "Emotional disturbance" has the meaning given in section 245.4871, subdivision 15.

213.13 (j) "Individual behavioral plan" means a plan of intervention, treatment, and services
213.14 for a child written by a mental health professional or a clinical trainee or mental health
213.15 practitioner under the treatment supervision of a mental health professional, to guide the
213.16 work of the mental health behavioral aide. The individual behavioral plan may be
213.17 incorporated into the child's individual treatment plan so long as the behavioral plan is
213.18 separately communicable to the mental health behavioral aide.

213.19 (k) "Individual treatment plan" means the plan described in section 245I.10, subdivisions
213.20 7 and 8.

213.21 (l) "Mental health behavioral aide services" means medically necessary one-on-one
213.22 activities performed by a mental health behavioral aide qualified according to section
213.23 245I.04, subdivision 16, to assist a child retain or generalize psychosocial skills as previously
213.24 trained by a mental health professional, clinical trainee, or mental health practitioner and
213.25 as described in the child's individual treatment plan and individual behavior plan. Activities
213.26 involve working directly with the child or child's family as provided in subdivision 9,
213.27 paragraph (b), clause (4).

213.28 (m) "Mental health certified family peer specialist" means a staff person who is qualified
213.29 according to section 245I.04, subdivision 12.

213.30 (n) "Mental health practitioner" means a staff person who is qualified according to section
213.31 245I.04, subdivision 4.

213.32 (o) "Mental health professional" means a staff person who is qualified according to
213.33 section 245I.04, subdivision 2.

214.1 (p) "Mental health service plan development" includes:

214.2 (1) the development, review, and revision of a child's individual treatment plan, including
214.3 involvement of the client or client's parents, primary caregiver, or other person authorized
214.4 to consent to mental health services for the client, and including arrangement of treatment
214.5 and support activities specified in the individual treatment plan; and

214.6 (2) administering and reporting the standardized outcome measurements in section
214.7 245I.10, subdivision 6, paragraph (d), clauses (3) and (4), and other standardized outcome
214.8 measurements approved by the commissioner, as periodically needed to evaluate the
214.9 effectiveness of treatment.

214.10 (q) "Mental illness," for persons at least age 18 but under age 21, has the meaning given
214.11 in section 245.462, subdivision 20, paragraph (a).

214.12 (r) "Psychotherapy" means the treatment described in section 256B.0671, subdivision
214.13 11.

214.14 (s) "Rehabilitative services" or "psychiatric rehabilitation services" means interventions
214.15 to: (1) restore a child or adolescent to an age-appropriate developmental trajectory that had
214.16 been disrupted by a psychiatric illness; or (2) enable the child to self-monitor, compensate
214.17 for, cope with, counteract, or replace psychosocial skills deficits or maladaptive skills
214.18 acquired over the course of a psychiatric illness. Psychiatric rehabilitation services for
214.19 children combine coordinated psychotherapy to address internal psychological, emotional,
214.20 and intellectual processing deficits, and skills training to restore personal and social
214.21 functioning. Psychiatric rehabilitation services establish a progressive series of goals with
214.22 each achievement building upon a prior achievement.

214.23 (t) "Skills training" means individual, family, or group training, delivered by or under
214.24 the supervision of a mental health professional, designed to facilitate the acquisition of
214.25 psychosocial skills that are medically necessary to rehabilitate the child to an age-appropriate
214.26 developmental trajectory heretofore disrupted by a psychiatric illness or to enable the child
214.27 to self-monitor, compensate for, cope with, counteract, or replace skills deficits or
214.28 maladaptive skills acquired over the course of a psychiatric illness. Skills training is subject
214.29 to the service delivery requirements under subdivision 9, paragraph (b), clause (2).

214.30 (u) "Treatment supervision" means the supervision described in section 245I.06.

214.31 Sec. 23. Minnesota Statutes 2020, section 256B.0949, subdivision 13, is amended to read:

214.32 Subd. 13. **Covered services.** (a) The services described in paragraphs (b) to (l) are
214.33 eligible for reimbursement by medical assistance under this section. Services must be

215.1 provided by a qualified EIDBI provider and supervised by a QSP. An EIDBI service must
215.2 address the person's medically necessary treatment goals and must be targeted to develop,
215.3 enhance, or maintain the individual developmental skills of a person with ASD or a related
215.4 condition to improve functional communication, including nonverbal or social
215.5 communication, social or interpersonal interaction, restrictive or repetitive behaviors,
215.6 hyperreactivity or hyporeactivity to sensory input, behavioral challenges and self-regulation,
215.7 cognition, learning and play, self-care, and safety.

215.8 (b) EIDBI treatment must be delivered consistent with the standards of an approved
215.9 modality, as published by the commissioner. EIDBI modalities include:

215.10 (1) applied behavior analysis (ABA);

215.11 (2) developmental individual-difference relationship-based model (DIR/Floortime);

215.12 (3) early start Denver model (ESDM);

215.13 (4) PLAY project;

215.14 (5) relationship development intervention (RDI); or

215.15 (6) additional modalities not listed in clauses (1) to (5) upon approval by the
215.16 commissioner.

215.17 (c) An EIDBI provider may use one or more of the EIDBI modalities in paragraph (b),
215.18 clauses (1) to (5), as the primary modality for treatment as a covered service, or several
215.19 EIDBI modalities in combination as the primary modality of treatment, as approved by the
215.20 commissioner. An EIDBI provider that identifies and provides assurance of qualifications
215.21 for a single specific treatment modality must document the required qualifications to meet
215.22 fidelity to the specific model.

215.23 (d) Each qualified EIDBI provider must identify and provide assurance of qualifications
215.24 for professional licensure certification, or training in evidence-based treatment methods,
215.25 and must document the required qualifications outlined in subdivision 15 in a manner
215.26 determined by the commissioner.

215.27 (e) CMDE is a comprehensive evaluation of the person's developmental status to
215.28 determine medical necessity for EIDBI services and meets the requirements of subdivision
215.29 5. The services must be provided by a qualified CMDE provider.

215.30 (f) EIDBI intervention observation and direction is the clinical direction and oversight
215.31 of EIDBI services by the QSP, level I treatment provider, or level II treatment provider,
215.32 including developmental and behavioral techniques, progress measurement, data collection,

216.1 function of behaviors, and generalization of acquired skills for the direct benefit of a person.
216.2 EIDBI intervention observation and direction informs any modification of the current
216.3 treatment protocol to support the outcomes outlined in the ITP.

216.4 (g) Intervention is medically necessary direct treatment provided to a person with ASD
216.5 or a related condition as outlined in their ITP. All intervention services must be provided
216.6 under the direction of a QSP. Intervention may take place across multiple settings. The
216.7 frequency and intensity of intervention services are provided based on the number of
216.8 treatment goals, person and family or caregiver preferences, and other factors. Intervention
216.9 services may be provided individually or in a group. Intervention with a higher provider
216.10 ratio may occur when deemed medically necessary through the person's ITP.

216.11 (1) Individual intervention is treatment by protocol administered by a single qualified
216.12 EIDBI provider delivered ~~face-to-face~~ to one person.

216.13 (2) Group intervention is treatment by protocol provided by one or more qualified EIDBI
216.14 providers, delivered to at least two people who receive EIDBI services.

216.15 (h) ITP development and ITP progress monitoring is development of the initial, annual,
216.16 and progress monitoring of an ITP. ITP development and ITP progress monitoring documents
216.17 provide oversight and ongoing evaluation of a person's treatment and progress on targeted
216.18 goals and objectives and integrate and coordinate the person's and the person's legal
216.19 representative's information from the CMDE and ITP progress monitoring. This service
216.20 must be reviewed and completed by the QSP, and may include input from a level I provider
216.21 or a level II provider.

216.22 (i) Family caregiver training and counseling is specialized training and education for a
216.23 family or primary caregiver to understand the person's developmental status and help with
216.24 the person's needs and development. This service must be provided by the QSP, level I
216.25 provider, or level II provider.

216.26 (j) A coordinated care conference is a voluntary ~~face-to-face~~ meeting with the person
216.27 and the person's family to review the CMDE or ITP progress monitoring and to integrate
216.28 and coordinate services across providers and service-delivery systems to develop the ITP.
216.29 This service must be provided by the QSP and may include the CMDE provider or a level
216.30 I provider or a level II provider.

216.31 (k) Travel time is allowable billing for traveling to and from the person's home, school,
216.32 a community setting, or place of service outside of an EIDBI center, clinic, or office from
216.33 a specified location to provide ~~face-to-face~~ in-person EIDBI intervention, observation and

217.1 direction, or family caregiver training and counseling. The person's ITP must specify the
217.2 reasons the provider must travel to the person.

217.3 (l) Medical assistance covers medically necessary EIDBI services and consultations
217.4 delivered by a licensed health care provider via ~~telemedicine~~ telehealth, as defined under
217.5 section 256B.0625, subdivision 3b, in the same manner as if the service or consultation was
217.6 delivered in person.

217.7 Sec. 24. Minnesota Statutes 2020, section 256B.49, subdivision 14, is amended to read:

217.8 Subd. 14. **Assessment and reassessment.** (a) Assessments and reassessments shall be
217.9 conducted by certified assessors according to section 256B.0911, subdivision 2b.

217.10 (b) There must be a determination that the client requires a hospital level of care or a
217.11 nursing facility level of care as defined in section 256B.0911, subdivision 4e, at initial and
217.12 subsequent assessments to initiate and maintain participation in the waiver program.

217.13 (c) Regardless of other assessments identified in section 144.0724, subdivision 4, as
217.14 appropriate to determine nursing facility level of care for purposes of medical assistance
217.15 payment for nursing facility services, only ~~face-to-face~~ assessments conducted according
217.16 to section 256B.0911, subdivisions 3a, 3b, and 4d, that result in a hospital level of care
217.17 determination or a nursing facility level of care determination must be accepted for purposes
217.18 of initial and ongoing access to waiver services payment.

217.19 (d) Recipients who are found eligible for home and community-based services under
217.20 this section before their 65th birthday may remain eligible for these services after their 65th
217.21 birthday if they continue to meet all other eligibility factors.

217.22 Sec. 25. Minnesota Statutes 2020, section 256S.05, subdivision 2, is amended to read:

217.23 Subd. 2. **Nursing facility level of care determination required.** Notwithstanding other
217.24 assessments identified in section 144.0724, subdivision 4, only ~~face-to-face~~ assessments
217.25 conducted according to section 256B.0911, subdivisions 3, 3a, and 3b, that result in a nursing
217.26 facility level of care determination at initial and subsequent assessments shall be accepted
217.27 for purposes of a participant's initial and ongoing participation in the elderly waiver and a
217.28 service provider's access to service payments under this chapter.

218.1 **Sec. 26. COMMISSIONER OF HUMAN SERVICES; EXTENSION OF COVID-19**
218.2 **HUMAN SERVICES PROGRAM MODIFICATIONS.**

218.3 Notwithstanding Laws 2020, First Special Session chapter 7, section 1, subdivision 2,
218.4 as amended by Laws 2020, Third Special Session chapter 1, section 3, when the peacetime
218.5 emergency declared by the governor in response to the COVID-19 outbreak expires, is
218.6 terminated, or is rescinded by the proper authority, the following modifications issued by
218.7 the commissioner of human services pursuant to Executive Orders 20-11 and 20-12, and
218.8 including any amendments to the modification issued before the peacetime emergency
218.9 expires, shall remain in effect until July 1, 2023:

218.10 (1) CV16: expanding access to telemedicine services for Children's Health Insurance
218.11 Program, Medical Assistance, and MinnesotaCare enrollees; and

218.12 (2) CV21: allowing telemedicine alternative for school-linked mental health services
218.13 and intermediate school district mental health services.

218.14 **Sec. 27. STUDIES OF TELEHEALTH EXPANSION AND PAYMENT PARITY.**

218.15 (a) The commissioner of health, in consultation with the commissioners of human services
218.16 and commerce, shall study the impact of telehealth expansion and payment parity under
218.17 this article on the coverage and provision of health care services under private sector health
218.18 insurance.

218.19 (b) The commissioner of human services, in consultation with the commissioners of
218.20 health and commerce, shall study the impact of telehealth expansion and payment parity
218.21 under this article on the coverage and provision of health care services under public health
218.22 care programs.

218.23 (c) The studies required under paragraphs (a) and (b) must review and make
218.24 recommendations relating to:

218.25 (1) the impact of telehealth expansion and payment parity on access to health care
218.26 services, quality of care, health outcomes, patient satisfaction, and value-based payments
218.27 and innovation in health care delivery;

218.28 (2) the impact of telehealth expansion and payment parity on reducing health care
218.29 disparities and providing equitable access to health care services for underserved
218.30 communities;

218.31 (3) whether audio-only communication as a permitted option for delivering services (i)
218.32 supports equitable access to health care services, including behavioral health services, for

219.1 the elderly, rural communities, and communities of color, and (ii) eliminates barriers to care
219.2 for vulnerable and underserved populations without reducing the quality of care, worsening
219.3 health outcomes, or decreasing satisfaction with care;

219.4 (4) the services and populations, if any, for which increased access to telehealth improves
219.5 or negatively impacts health outcomes;

219.6 (5) the extent to which services provided through telehealth:

219.7 (i) substitute for an in-person visit;

219.8 (ii) are services that were previously not billed or reimbursed; or

219.9 (iii) are in addition to or are duplicative of services that the patient has received or will
219.10 receive as part of an in-person visit;

219.11 (6) the effect of telehealth expansion and payment parity on public and private sector
219.12 health care costs, including health insurance premiums; and

219.13 (7) the impact of telehealth expansion and payment parity, especially in rural areas, on
219.14 patient access to, and the availability of, in-person care, including specialty care.

219.15 (d) In addition, the studies must report:

219.16 (1) the criteria payers used during the study period to determine which patients were
219.17 medically appropriate to be served through telehealth, and which categories of service were
219.18 medically appropriate to be delivered through telehealth, including but not limited to the
219.19 use of audio-only communication; and

219.20 (2) the methods payers used to ensure that patients were allowed to choose to receive a
219.21 service through telehealth or in person during the study period.

219.22 (e) When conducting the studies, the commissioners shall consult with public program
219.23 enrollees and other patients, providers, communities impacted by telehealth expansion and
219.24 payment parity, and other stakeholders. Notwithstanding Minnesota Statutes, section 62U.04,
219.25 subdivision 11, the commissioners may use data available under that section to conduct the
219.26 studies and may consult with experts in payment policy and health care delivery. Health
219.27 plan companies shall submit information requested by the commissioners for purposes of
219.28 the studies in the form and manner specified by the commissioners.

219.29 (f) The commissioners shall present a preliminary report to the chairs and ranking
219.30 minority members of the legislative committees with jurisdiction over health and human
219.31 services policy and finance and commerce by January 15, 2023. The preliminary report
219.32 must include qualitative and any available quantitative findings, and recommendations on

220.1 whether audio-only communication should be allowed as a telehealth option beyond June
 220.2 30, 2023. The commissioners shall present a final report to the chairs and ranking minority
 220.3 members of these specified legislative committees by January 15, 2024.

220.4 Sec. 28. REVISOR INSTRUCTION.

220.5 In Minnesota Statutes and Minnesota Rules, the revisor of statutes shall substitute the
 220.6 term "telemedicine" with "telehealth" whenever the term appears and substitute Minnesota
 220.7 Statutes, section 62A.673, whenever references to Minnesota Statutes, sections 62A.67,
 220.8 62A.671, and 62A.672 appear.

220.9 Sec. 29. REPEALER.

220.10 (a) Minnesota Statutes 2020, sections 62A.67; 62A.671; and 62A.672, are repealed
 220.11 effective July 1, 2021.

220.12 (b) Minnesota Statutes 2020, sections 256B.0596; and 256B.0924, subdivision 4a, are
 220.13 repealed effective July 1, 2021, or upon federal approval, whichever is later. The
 220.14 commissioner of human services shall notify the revisor of statutes when federal approval
 220.15 is obtained.

220.16 (c) Laws 2021, chapter 30, article 17, section 71, is repealed effective the day following
 220.17 final enactment.

220.18

ARTICLE 7

220.19

ECONOMIC SUPPORTS

220.20 Section 1. Minnesota Statutes 2020, section 119B.09, subdivision 4, is amended to read:

220.21 Subd. 4. **Eligibility; annual income; calculation.** (a) Annual income of the applicant
 220.22 family is the current monthly income of the family multiplied by 12 or the income for the
 220.23 12-month period immediately preceding the date of application, or income calculated by
 220.24 the method which provides the most accurate assessment of income available to the family.

220.25 (b) Self-employment income must be calculated based on ~~gross receipts less operating~~
 220.26 ~~expenses~~ section 256P.05, subdivision 2.

220.27 (c) Income changes are processed under section 119B.025, subdivision 4. Included lump
 220.28 sums counted as income under section 256P.06, subdivision 3, must be annualized over 12
 220.29 months. Income must be verified with documentary evidence. If the applicant does not have
 220.30 sufficient evidence of income, verification must be obtained from the source of the income.

221.1 **EFFECTIVE DATE.** This section is effective May 1, 2022.

221.2 Sec. 2. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
221.3 to read:

221.4 Subd. 20. **SNAP employment and training.** The commissioner shall implement a
221.5 Supplemental Nutrition Assistance Program (SNAP) employment and training program
221.6 that meets the SNAP employment and training participation requirements of the United
221.7 States Department of Agriculture governed by Code of Federal Regulations, title 7, section
221.8 273.7. The commissioner shall operate a SNAP employment and training program in which
221.9 SNAP recipients elect to participate. In order to receive SNAP assistance beyond the time
221.10 limit, unless residing in an area covered by a time-limit waiver governed by Code of Federal
221.11 Regulations, title 7, section 273.24, nonexempt SNAP recipients who do not meet federal
221.12 SNAP work requirements must participate in an employment and training program. In
221.13 addition to county and Tribal agencies that administer SNAP, the commissioner may contract
221.14 with third-party providers for SNAP employment and training services.

221.15 **EFFECTIVE DATE.** This section is effective August 1, 2021.

221.16 Sec. 3. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
221.17 to read:

221.18 Subd. 21. **County and Tribal agency duties.** County or Tribal agencies that administer
221.19 SNAP shall inform adult SNAP recipients about employment and training services and
221.20 providers in the recipient's area. County or Tribal agencies that administer SNAP may elect
221.21 to subcontract with a public or private entity approved by the commissioner to provide
221.22 SNAP employment and training services.

221.23 **EFFECTIVE DATE.** This section is effective August 1, 2021.

221.24 Sec. 4. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
221.25 to read:

221.26 Subd. 22. **Duties of commissioner.** In addition to any other duties imposed by law, the
221.27 commissioner shall:

221.28 (1) supervise the administration of SNAP employment and training services to county,
221.29 Tribal, and contracted agencies under this section and Code of Federal Regulations, title 7,
221.30 section 273.7;

222.1 (2) disburse money allocated and reimbursed for SNAP employment and training services
 222.2 to county, Tribal, and contracted agencies;

222.3 (3) accept and supervise the disbursement of any funds that may be provided by the
 222.4 federal government or other sources for SNAP employment and training services;

222.5 (4) cooperate with other agencies, including any federal agency or agency of another
 222.6 state, in all matters concerning the powers and duties of the commissioner under this section;

222.7 (5) coordinate with the commissioner of employment and economic development to
 222.8 deliver employment and training services statewide;

222.9 (6) work in partnership with counties, tribes, and other agencies to enhance the reach
 222.10 and services of a statewide SNAP employment and training program; and

222.11 (7) identify eligible nonfederal funds to earn federal reimbursement for SNAP
 222.12 employment and training services.

222.13 **EFFECTIVE DATE.** This section is effective August 1, 2021.

222.14 Sec. 5. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
 222.15 to read:

222.16 **Subd. 23. Participant duties.** Unless residing in an area covered by a time-limit waiver,
 222.17 nonexempt SNAP recipients must meet federal SNAP work requirements to receive SNAP
 222.18 assistance beyond the time limit.

222.19 **EFFECTIVE DATE.** This section is effective August 1, 2021.

222.20 Sec. 6. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
 222.21 to read:

222.22 **Subd. 24. Program funding.** (a) The United States Department of Agriculture annually
 222.23 allocates SNAP employment and training funds to the commissioner of human services for
 222.24 the operation of the SNAP employment and training program.

222.25 (b) The United States Department of Agriculture authorizes the disbursement of SNAP
 222.26 employment and training reimbursement funds to the commissioner of human services for
 222.27 the operation of the SNAP employment and training program.

222.28 (c) Except for funds allocated for state program development and administrative purposes
 222.29 or designated by the United States Department of Agriculture for a specific project, the
 222.30 commissioner of human services shall disburse money allocated for federal SNAP
 222.31 employment and training to counties and tribes that administer SNAP based on a formula

223.1 determined by the commissioner that includes but is not limited to the county's or tribe's
 223.2 proportion of adult SNAP recipients as compared to the statewide total.

223.3 (d) The commissioner of human services shall disburse federal funds that the
 223.4 commissioner receives as reimbursement for SNAP employment and training costs to the
 223.5 state agency, county, tribe, or contracted agency that incurred the costs being reimbursed.

223.6 (e) The commissioner of human services may reallocate unexpended money disbursed
 223.7 under this section to county, Tribal, or contracted agencies that demonstrate a need for
 223.8 additional funds.

223.9 **EFFECTIVE DATE.** This section is effective August 1, 2021.

223.10 Sec. 7. Minnesota Statutes 2020, section 256E.30, subdivision 2, is amended to read:

223.11 Subd. 2. **Allocation of money.** (a) State money appropriated and community service
 223.12 block grant money allotted to the state and all money transferred to the community service
 223.13 block grant from other block grants shall be allocated annually to community action agencies
 223.14 and Indian reservation governments under paragraphs (b) and (c), and to migrant and seasonal
 223.15 farmworker organizations under paragraph (d).

223.16 (b) The available annual money will provide base funding to all community action
 223.17 agencies and the Indian reservations. Base funding amounts per agency are as follows: for
 223.18 agencies with low income populations up to ~~1,999, \$25,000; 2,000 to 23,999, \$50,000; and~~
 223.19 ~~24,000 or more, \$100,000.~~

223.20 (c) All remaining money of the annual money available after the base funding has been
 223.21 determined must be allocated to each agency and reservation in proportion to the size of
 223.22 the poverty level population in the agency's service area compared to the size of the poverty
 223.23 level population in the state.

223.24 (d) Allocation of money to migrant and seasonal farmworker organizations must not
 223.25 exceed three percent of the total annual money available. Base funding allocations must be
 223.26 made for all community action agencies and Indian reservations that received money under
 223.27 this subdivision, in fiscal year 1984, and for community action agencies designated under
 223.28 this section with a service area population of 35,000 or greater.

223.29 **EFFECTIVE DATE.** This section is effective July 1, 2021.

224.1 Sec. 8. Minnesota Statutes 2020, section 256J.08, subdivision 15, is amended to read:

224.2 Subd. 15. **Countable income.** "Countable income" means earned and unearned income
224.3 that is ~~not excluded under section 256J.21, subdivision 2~~ described in section 256P.06,
224.4 subdivision 3, or disregarded under section 256J.21, subdivision 3, or section 256P.03.

224.5 **EFFECTIVE DATE.** This section is effective August 1, 2021.

224.6 Sec. 9. Minnesota Statutes 2020, section 256J.08, subdivision 53, is amended to read:

224.7 Subd. 53. **Lump sum.** "Lump sum" means nonrecurring income ~~that is not excluded in~~
224.8 ~~section 256J.21~~ as described in section 256P.06, subdivision 3, clause (2), item (ix).

224.9 **EFFECTIVE DATE.** This section is effective August 1, 2021.

224.10 Sec. 10. Minnesota Statutes 2020, section 256J.10, is amended to read:

224.11 **256J.10 MFIP ELIGIBILITY REQUIREMENTS.**

224.12 To be eligible for MFIP, applicants must meet the general eligibility requirements in
224.13 sections 256J.11 to 256J.15, the property limitations in section 256P.02, and the income
224.14 limitations in ~~section~~ sections 256J.21 and 256P.06.

224.15 **EFFECTIVE DATE.** This section is effective August 1, 2021.

224.16 Sec. 11. Minnesota Statutes 2020, section 256J.21, subdivision 3, is amended to read:

224.17 Subd. 3. **Initial income test.** The agency shall determine initial eligibility by considering
224.18 all earned and unearned income ~~that is not excluded under subdivision 2~~ as defined in section
224.19 256P.06. To be eligible for MFIP, the assistance unit's countable income minus the earned
224.20 income disregards in paragraph (a) and section 256P.03 must be below the family wage
224.21 level according to section 256J.24, subdivision 7, for that size assistance unit.

224.22 (a) The initial eligibility determination must disregard the following items:

224.23 (1) the earned income disregard as determined in section 256P.03;

224.24 (2) dependent care costs must be deducted from gross earned income for the actual
224.25 amount paid for dependent care up to a maximum of \$200 per month for each child less
224.26 than two years of age, and \$175 per month for each child two years of age and older;

224.27 (3) all payments made according to a court order for spousal support or the support of
224.28 children not living in the assistance unit's household shall be disregarded from the income
224.29 of the person with the legal obligation to pay support; and

225.1 (4) an allocation for the unmet need of an ineligible spouse or an ineligible child under
 225.2 the age of 21 for whom the caregiver is financially responsible and who lives with the
 225.3 caregiver according to section 256J.36.

225.4 (b) After initial eligibility is established, the assistance payment calculation is based on
 225.5 the monthly income test.

225.6 **EFFECTIVE DATE.** This section is effective August 1, 2021.

225.7 Sec. 12. Minnesota Statutes 2020, section 256J.21, subdivision 5, is amended to read:

225.8 Subd. 5. **Distribution of income.** (a) The income of all members of the assistance unit
 225.9 must be counted. Income may also be deemed from ineligible persons to the assistance unit.
 225.10 Income must be attributed to the person who earns it or to the assistance unit according to
 225.11 paragraphs ~~(a) to~~ (b) and (c).

225.12 ~~(a) Funds distributed from a trust, whether from the principal holdings or sale of trust~~
 225.13 ~~property or from the interest and other earnings of the trust holdings, must be considered~~
 225.14 ~~income when the income is legally available to an applicant or participant. Trusts are~~
 225.15 ~~presumed legally available unless an applicant or participant can document that the trust is~~
 225.16 ~~not legally available.~~

225.17 (b) Income from jointly owned property must be divided equally among property owners
 225.18 unless the terms of ownership provide for a different distribution.

225.19 (c) Deductions are not allowed from the gross income of a financially responsible
 225.20 household member or by the members of an assistance unit to meet a current or prior debt.

225.21 **EFFECTIVE DATE.** This section is effective August 1, 2021.

225.22 Sec. 13. Minnesota Statutes 2020, section 256J.24, subdivision 5, is amended to read:

225.23 Subd. 5. **MFIP transitional standard.** (a) The MFIP transitional standard is based on
 225.24 the number of persons in the assistance unit eligible for both food and cash assistance. The
 225.25 amount of the transitional standard is published annually by the Department of Human
 225.26 Services.

225.27 (b) The amount of the MFIP cash assistance portion of the transitional standard is
 225.28 increased \$100 per month per household. This increase shall be reflected in the MFIP cash
 225.29 assistance portion of the transitional standard published annually by the commissioner.

226.1 (c) On October 1 of each year, the commissioner of human services shall adjust the cash
 226.2 assistance portion under paragraph (a) for inflation based on the CPI-U for the prior calendar
 226.3 year.

226.4 **EFFECTIVE DATE.** This section is effective for the fiscal year beginning on July 1,
 226.5 2021.

226.6 Sec. 14. Minnesota Statutes 2020, section 256J.33, subdivision 1, is amended to read:

226.7 Subdivision 1. **Determination of eligibility.** (a) A county agency must determine MFIP
 226.8 eligibility prospectively for a payment month based on retrospectively assessing income
 226.9 and the county agency's best estimate of the circumstances that will exist in the payment
 226.10 month.

226.11 (b) Except as described in section 256J.34, subdivision 1, when prospective eligibility
 226.12 exists, A county agency must calculate the amount of the assistance payment using
 226.13 retrospective budgeting. To determine MFIP eligibility and the assistance payment amount,
 226.14 a county agency must apply countable income, described in ~~section~~ sections 256P.06 and
 226.15 256J.37, subdivisions 3 to 10, received by members of an assistance unit or by other persons
 226.16 whose income is counted for the assistance unit, described under sections ~~256J.21 and~~
 226.17 256J.37, subdivisions 1 to 2, and 256P.06, subdivision 1.

226.18 (c) This income must be applied to the MFIP standard of need or family wage level
 226.19 subject to this section and sections 256J.34 to 256J.36. Countable income as described in
 226.20 section 256P.06, subdivision 3, received in a calendar month and not otherwise excluded
 226.21 under section ~~256J.21, subdivision 2,~~ must be applied to the needs of an assistance unit.

226.22 **EFFECTIVE DATE.** This section is effective August 1, 2021.

226.23 Sec. 15. Minnesota Statutes 2020, section 256J.33, subdivision 4, is amended to read:

226.24 Subd. 4. **Monthly income test.** A county agency must apply the monthly income test
 226.25 retrospectively for each month of MFIP eligibility. An assistance unit is not eligible when
 226.26 the countable income equals or exceeds the MFIP standard of need or the family wage level
 226.27 for the assistance unit. The income applied against the monthly income test must include:

226.28 (1) gross earned income from employment as described in chapter 256P, prior to
 226.29 mandatory payroll deductions, voluntary payroll deductions, wage authorizations, and after
 226.30 the disregards in section 256J.21, subdivision 4, and the allocations in section 256J.36;
 226.31 ~~unless the employment income is specifically excluded under section 256J.21, subdivision~~
 226.32 ~~2;~~

227.1 (2) gross earned income from self-employment less deductions for self-employment
 227.2 expenses in section 256J.37, subdivision 5, but prior to any reductions for personal or
 227.3 business state and federal income taxes, personal FICA, personal health and life insurance,
 227.4 and after the disregards in section 256J.21, subdivision 4, and the allocations in section
 227.5 256J.36;

227.6 (3) unearned income as described in section 256P.06, subdivision 3, after deductions
 227.7 for allowable expenses in section 256J.37, subdivision 9, and allocations in section 256J.36;
 227.8 ~~unless the income has been specifically excluded in section 256J.21, subdivision 2;~~

227.9 (4) gross earned income from employment as determined under clause (1) which is
 227.10 received by a member of an assistance unit who is a minor child or minor caregiver and
 227.11 less than a half-time student;

227.12 (5) child support received by an assistance unit, excluded under ~~section 256J.21,~~
 227.13 ~~subdivision 2, clause (49), or~~ section 256P.06, subdivision 3, clause (2), item (xvi);

227.14 (6) spousal support received by an assistance unit;

227.15 (7) the income of a parent when that parent is not included in the assistance unit;

227.16 (8) the income of an eligible relative and spouse who seek to be included in the assistance
 227.17 unit; and

227.18 (9) the unearned income of a minor child included in the assistance unit.

227.19 **EFFECTIVE DATE.** This section is effective August 1, 2021.

227.20 Sec. 16. Minnesota Statutes 2020, section 256J.37, subdivision 1, is amended to read:

227.21 Subdivision 1. **Deemed income from ineligible assistance unit members.** The income
 227.22 of ineligible assistance unit members, except individuals identified in section 256J.24,
 227.23 subdivision 3, paragraph (a), clause (1), must be deemed after allowing the following
 227.24 disregards:

227.25 (1) an earned income disregard as determined under section 256P.03;

227.26 (2) all payments made by the ineligible person according to a court order for spousal
 227.27 support or the support of children not living in the assistance unit's household; and

227.28 (3) an amount for the unmet needs of the ineligible persons who live in the household
 227.29 who, if eligible, would be assistance unit members under section 256J.24, subdivision 2 or
 227.30 4, paragraph (b). This amount is equal to the difference between the MFIP transitional

228.1 standard when the ineligible persons are included in the assistance unit and the MFIP
 228.2 transitional standard when the ineligible persons are not included in the assistance unit.

228.3 **EFFECTIVE DATE.** This section is effective August 1, 2021.

228.4 Sec. 17. Minnesota Statutes 2020, section 256J.37, subdivision 1b, is amended to read:

228.5 Subd. 1b. **Deemed income from parents of minor caregivers.** In households where
 228.6 minor caregivers live with a parent or parents or a stepparent who do not receive MFIP for
 228.7 themselves or their minor children, the income of the parents or a stepparent must be deemed
 228.8 after allowing the following disregards:

228.9 (1) income of the parents equal to 200 percent of the federal poverty guideline for a
 228.10 family size not including the minor parent and the minor parent's child in the household
 228.11 ~~according to section 256J.21, subdivision 2, clause (43);~~ and

228.12 (2) all payments made by parents according to a court order for spousal support or the
 228.13 support of children not living in the parent's household.

228.14 **EFFECTIVE DATE.** This section is effective August 1, 2021.

228.15 Sec. 18. Minnesota Statutes 2020, section 256J.95, subdivision 9, is amended to read:

228.16 Subd. 9. **Property and income limitations.** The asset limits and exclusions in section
 228.17 256P.02 apply to applicants and participants of DWP. All payments, ~~unless excluded in~~
 228.18 ~~section 256J.21~~ as described in section 256P.06, subdivision 3, must be counted as income
 228.19 to determine eligibility for the diversionary work program. The agency shall treat income
 228.20 as outlined in section 256J.37, except for subdivision 3a. The initial income test and the
 228.21 disregards in section 256J.21, subdivision 3, shall be followed for determining eligibility
 228.22 for the diversionary work program.

228.23 **EFFECTIVE DATE.** This section is effective August 1, 2021.

228.24 Sec. 19. Minnesota Statutes 2020, section 256P.01, subdivision 3, is amended to read:

228.25 Subd. 3. **Earned income.** "Earned income" means ~~cash or in-kind~~ income earned through
 228.26 the receipt of wages, salary, commissions, bonuses, tips, gratuities, profit from employment
 228.27 activities, net profit from self-employment activities, payments made by an employer for
 228.28 regularly accrued vacation or sick leave, severance pay based on accrued leave time,
 228.29 ~~payments from training programs at a rate at or greater than the state's minimum wage,~~
 228.30 royalties, honoraria, or other profit from activity that results from the client's work, ~~service,~~
 228.31 effort, or labor for purposes other than student financial assistance, rehabilitation programs,

229.1 student training programs, or service programs such as AmeriCorps. The income must be
 229.2 in return for, or as a result of, legal activity.

229.3 **EFFECTIVE DATE.** This section is effective August 1, 2021.

229.4 Sec. 20. Minnesota Statutes 2020, section 256P.02, subdivision 1a, is amended to read:

229.5 Subd. 1a. **Exemption.** Participants who qualify for child care assistance programs under
 229.6 chapter 119B are exempt from this section, except that the personal property identified in
 229.7 subdivision 2 is counted toward the asset limit of the child care assistance program under
 229.8 chapter 119B.

229.9 **EFFECTIVE DATE.** This section is effective May 1, 2022.

229.10 Sec. 21. Minnesota Statutes 2020, section 256P.02, subdivision 2, is amended to read:

229.11 Subd. 2. **Personal property limitations.** The equity value of an assistance unit's personal
 229.12 property listed in clauses (1) to ~~(4)~~ (5) must not exceed \$10,000 for applicants and
 229.13 participants. For purposes of this subdivision, personal property is limited to:

229.14 (1) cash;

229.15 (2) bank accounts;

229.16 (3) liquid stocks and bonds that can be readily accessed without a financial penalty; ~~and~~

229.17 (4) vehicles not excluded under subdivision 3; and

229.18 (5) the full value of business accounts used to pay expenses not related to the business.

229.19 **EFFECTIVE DATE.** This section is effective May 1, 2022.

229.20 Sec. 22. Minnesota Statutes 2020, section 256P.04, subdivision 4, is amended to read:

229.21 Subd. 4. **Factors to be verified.** (a) The agency shall verify the following at application:

229.22 (1) identity of adults;

229.23 (2) age, if necessary to determine eligibility;

229.24 (3) immigration status;

229.25 (4) income;

229.26 (5) spousal support and child support payments made to persons outside the household;

229.27 (6) vehicles;

- 230.1 (7) checking and savings accounts, including but not limited to any business accounts
 230.2 used to pay expenses not related to the business;
- 230.3 (8) inconsistent information, if related to eligibility;
- 230.4 (9) residence;
- 230.5 (10) Social Security number; and
- 230.6 (11) use of nonrecurring income under section 256P.06, subdivision 3, clause (2), item
 230.7 (ix), for the intended purpose for which it was given and received.

230.8 (b) Applicants who are qualified noncitizens and victims of domestic violence as defined
 230.9 under section 256J.08, subdivision 73, ~~clause (7)~~ clauses (8) and (9), are not required to
 230.10 verify the information in paragraph (a), clause (10). When a Social Security number is not
 230.11 provided to the agency for verification, this requirement is satisfied when each member of
 230.12 the assistance unit cooperates with the procedures for verification of Social Security numbers,
 230.13 issuance of duplicate cards, and issuance of new numbers which have been established
 230.14 jointly between the Social Security Administration and the commissioner.

230.15 **EFFECTIVE DATE.** Paragraph (a) is effective May 1, 2022. Paragraph (b) is effective
 230.16 July 1, 2021.

230.17 Sec. 23. Minnesota Statutes 2020, section 256P.04, subdivision 8, is amended to read:

230.18 Subd. 8. **Recertification.** The agency shall recertify eligibility ~~in an annual interview~~
 230.19 ~~with the participant. The interview may be conducted by telephone, by Internet telepresence,~~
 230.20 ~~or face-to-face in the county office or in another location mutually agreed upon. A participant~~
 230.21 ~~must be given the option of a telephone interview or Internet telepresence to recertify~~
 230.22 ~~eligibility annually.~~ During the interview recertification, the agency shall verify the following:

- 230.23 (1) income, unless excluded, including self-employment earnings;
- 230.24 (2) assets when the value is within \$200 of the asset limit; and
- 230.25 (3) inconsistent information, if related to eligibility.

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

230.27 Sec. 24. Minnesota Statutes 2020, section 256P.05, is amended to read:

230.28 **256P.05 SELF-EMPLOYMENT EARNINGS.**

230.29 Subdivision 1. **Exempted programs.** Participants who qualify for ~~child care assistance~~
 230.30 ~~programs under chapter 119B,~~ Minnesota supplemental aid under chapter 256D; and housing

231.1 support under chapter 256I on the basis of eligibility for Supplemental Security Income are
 231.2 exempt from this section. Participants who qualify for child care assistance programs under
 231.3 chapter 119B are exempt from subdivision 3.

231.4 Subd. 2. **Self-employment income determinations.** Applicants and participants must
 231.5 choose one of the methods described in this subdivision for determining self-employment
 231.6 earned income. An agency must determine self-employment income, which is either:

231.7 (1) one-half of gross earnings from self-employment; or

231.8 (2) taxable income as determined from an Internal Revenue Service tax form that has
 231.9 been filed with the Internal Revenue Service ~~within the last~~ for the most recent year and
 231.10 according to guidance provided for the Supplemental Nutrition Assistance Program. A
 231.11 12-month average using ~~net~~ taxable income shall be used to budget monthly income.

231.12 Subd. 3. **Self-employment budgeting.** (a) The self-employment budget period begins
 231.13 in the month of application or in the first month of self-employment. ~~Applicants and~~
 231.14 ~~participants must choose one of the methods described in subdivision 2 for determining~~
 231.15 ~~self-employment earned income.~~

231.16 (b) Applicants and participants who elect to use taxable income as described in
 231.17 subdivision 2, clause (2), to determine self-employment income must continue to use this
 231.18 method until recertification, unless there is an unforeseen significant change in gross income
 231.19 equaling a decline in gross income of the amount equal to or greater than the earned income
 231.20 disregard as defined in section 256P.03 from the income used to determine the benefit for
 231.21 the current month.

231.22 (c) For applicants and participants who elect to use one-half of gross earnings as described
 231.23 in subdivision 2, clause (1), to determine self-employment income, earnings must be counted
 231.24 as income in the month received.

231.25 **EFFECTIVE DATE.** This section is effective May 1, 2022.

231.26 Sec. 25. Minnesota Statutes 2020, section 256P.06, subdivision 2, is amended to read:

231.27 Subd. 2. ~~Exempted individuals~~ **Exemptions.** (a) The following members of an assistance
 231.28 unit under chapters 119B and 256J are exempt from having their earned income count
 231.29 ~~towards~~ toward the income of an assistance unit:

231.30 (1) children under six years old;

231.31 (2) caregivers under 20 years of age enrolled at least half-time in school; and

231.32 (3) minors enrolled in school full time.

232.1 (b) The following members of an assistance unit are exempt from having their earned
 232.2 and unearned income count ~~towards~~ toward the income of an assistance unit for 12
 232.3 consecutive calendar months, beginning the month following the marriage date, for benefits
 232.4 under chapter 256J if the household income does not exceed 275 percent of the federal
 232.5 poverty guideline:

232.6 (1) a new spouse to a caretaker in an existing assistance unit; and

232.7 (2) the spouse designated by a newly married couple, both of whom were already
 232.8 members of an assistance unit under chapter 256J.

232.9 (c) If members identified in paragraph (b) also receive assistance under section 119B.05,
 232.10 they are exempt from having their earned and unearned income count ~~towards~~ toward the
 232.11 income of the assistance unit if the household income prior to the exemption does not exceed
 232.12 67 percent of the state median income for recipients for 26 consecutive biweekly periods
 232.13 beginning the second biweekly period after the marriage date.

232.14 (d) For individuals who are members of an assistance unit under chapters 256I and 256J,
 232.15 the assistance standard effective in January 2020 for a household of one under chapter 256J
 232.16 shall be counted as income under chapter 256I, and any subsequent increases to unearned
 232.17 income under chapter 256J shall be exempt.

232.18 Sec. 26. Minnesota Statutes 2020, section 256P.06, subdivision 3, is amended to read:

232.19 Subd. 3. **Income inclusions.** The following must be included in determining the income
 232.20 of an assistance unit:

232.21 (1) earned income; and

232.22 (2) unearned income, which includes:

232.23 (i) interest and dividends from investments and savings;

232.24 (ii) capital gains as defined by the Internal Revenue Service from any sale of real property;

232.25 (iii) proceeds from rent and contract for deed payments in excess of the principal and
 232.26 interest portion owed on property;

232.27 (iv) income from trusts, excluding special needs and supplemental needs trusts;

232.28 (v) interest income from loans made by the participant or household;

232.29 (vi) cash prizes and winnings;

232.30 (vii) unemployment insurance income that is received by an adult member of the
 232.31 assistance unit unless the individual receiving unemployment insurance income is:

- 233.1 (A) 18 years of age and enrolled in a secondary school; or
- 233.2 (B) 18 or 19 years of age, a caregiver, and is enrolled in school at least half-time;
- 233.3 (viii) retirement, survivors, and disability insurance payments;
- 233.4 (ix) nonrecurring income over \$60 per quarter unless ~~earmarked and used for the purpose~~
- 233.5 ~~for which it is intended. Income and use of this income is subject to verification requirements~~
- 233.6 ~~under section 256P.04~~ the nonrecurring income is: (A) from tax refunds, tax rebates, or tax
- 233.7 credits; (B) a reimbursement, rebate, award, grant, or refund of personal or real property or
- 233.8 costs or losses incurred when these payments are made by: a public agency; a court;
- 233.9 solicitations through public appeal; a federal, state, or local unit of government; or a disaster
- 233.10 assistance organization; (C) provided as an in-kind benefit; or (D) earmarked and used for
- 233.11 the purpose for which it was intended, subject to verification requirements under section
- 233.12 256P.04;
- 233.13 (x) retirement benefits;
- 233.14 (xi) cash assistance benefits, as defined by each program in chapters 119B, 256D, 256I,
- 233.15 and 256J;
- 233.16 (xii) tribal per capita payments unless excluded by federal and state law;
- 233.17 (xiii) income and payments from service and rehabilitation programs that meet or exceed
- 233.18 the state's minimum wage rate;
- 233.19 (xiv) income from members of the United States armed forces unless excluded from
- 233.20 income taxes according to federal or state law;
- 233.21 (xv) all child support payments for programs under chapters 119B, 256D, and 256I;
- 233.22 (xvi) the amount of child support received that exceeds \$100 for assistance units with
- 233.23 one child and \$200 for assistance units with two or more children for programs under chapter
- 233.24 256J; ~~and~~
- 233.25 (xvii) spousal support; and
- 233.26 (xviii) workers' compensation.
- 233.27 **EFFECTIVE DATE.** This section is effective August 1, 2021, except the amendment
- 233.28 to clause (2), item (vii), is effective the day following final enactment.

234.1 Sec. 27. Laws 2020, First Special Session chapter 7, section 1, as amended by Laws 2020,
234.2 Third Special Session chapter 1, section 3, is amended by adding a subdivision to read:

234.3 Subd. 5. **Waivers and modifications; extension to December 31, 2021.** When the
234.4 peacetime emergency declared by the governor in response to the COVID-19 outbreak
234.5 expires, is terminated, or is rescinded by the proper authority, the following waivers and
234.6 modifications to human services programs issued by the commissioner of human services,
234.7 including any amendments to the waivers or modifications issued before the peacetime
234.8 emergency expires, shall remain in effect through December 31, 2021, unless necessary
234.9 federal approval is not received at any time for a waiver or modification:

234.10 (1) Executive Orders 20-42, 21-03, and 21-15: ensuring that emergency economic relief
234.11 does not prevent eligibility for essential human services programs; and

234.12 (2) CV.04.A.4: cash assistance, modifying the interview requirement for recertifications
234.13 of eligibility, issued by the commissioner of human services pursuant to Executive Order
234.14 20-12.

234.15 **EFFECTIVE DATE.** This section is effective the day following final enactment or
234.16 retroactively from the date that the peacetime emergency declared by the governor in
234.17 response to the COVID-19 outbreak ends, whichever is earlier.

234.18 Sec. 28. **DIRECTION TO COMMISSIONER; LONG-TERM HOMELESS**
234.19 **SUPPORTIVE SERVICES REPORT.**

234.20 (a) No later than January 15, 2023, the commissioner of human services shall produce
234.21 information which shows the projects funded under Minnesota Statutes, section 256K.26,
234.22 and make this information available on the Department of Human Services website.

234.23 (b) This information must be updated annually for two additional years and the
234.24 commissioner must make this information available on the Department of Human Services
234.25 website by January 15, 2024, and January 15, 2025, respectively.

234.26 Sec. 29. **2022 REPORT TO LEGISLATURE ON RUNAWAY AND HOMELESS**
234.27 **YOUTH.**

234.28 Subdivision 1. **Report development.** The commissioner of human services is exempt
234.29 from preparing the report required under Minnesota Statutes, section 256K.45, subdivision
234.30 2, in 2023 and shall instead update the information in the 2007 legislative report on runaway
234.31 and homeless youth. In developing the updated report, the commissioner must use existing
234.32 data, studies, and analysis provided by state, county, and other entities including:

- 235.1 (1) Minnesota Housing Finance Agency analysis on housing availability;
- 235.2 (2) the Minnesota state plan to end homelessness;
- 235.3 (3) the continuum of care counts of youth experiencing homelessness and assessments
- 235.4 as provided by Department of Housing and Urban Development (HUD) required coordinated
- 235.5 entry systems;
- 235.6 (4) the biannual Department of Human Services report on the Homeless Youth Act;
- 235.7 (5) the Wilder Research homeless study;
- 235.8 (6) the Voices of Youth Count sponsored by Hennepin County; and
- 235.9 (7) privately funded analysis, including:
- 235.10 (i) nine evidence-based principles to support youth in overcoming homelessness;
- 235.11 (ii) the return on investment analysis conducted for YouthLink by Foldes Consulting;
- 235.12 and
- 235.13 (iii) the evaluation of Homeless Youth Act resources conducted by Rainbow Research.
- 235.14 Subd. 2. **Key elements; due date.** (a) The report must include three key elements where
- 235.15 significant learning has occurred in the state since the 2007 report, including:
- 235.16 (1) the unique causes of youth homelessness;
- 235.17 (2) targeted responses to youth homelessness, including the significance of positive
- 235.18 youth development as fundamental to each targeted response; and
- 235.19 (3) recommendations based on existing reports and analysis on how to end youth
- 235.20 homelessness.
- 235.21 (b) To the extent that data is available, the report must include:
- 235.22 (1) a general accounting of the federal and philanthropic funds leveraged to support
- 235.23 homeless youth activities;
- 235.24 (2) a general accounting of the increase in volunteer responses to support youth
- 235.25 experiencing homelessness; and
- 235.26 (3) a data-driven accounting of geographic areas or distinct populations that have gaps
- 235.27 in service or are not yet served by homeless youth responses.
- 235.28 (c) The commissioner of human services shall consult with and incorporate the expertise
- 235.29 of community-based providers of homeless youth services and other expert stakeholders to
- 235.30 complete the report. The commissioner shall submit the report to the chairs and ranking

236.1 minority members of the legislative committees with jurisdiction over youth homelessness
 236.2 by December 15, 2022.

236.3 Sec. 30. **REPEALER.**

236.4 Minnesota Statutes 2020, sections 256D.051, subdivisions 1, 1a, 2, 2a, 3, 3a, 3b, 6b, 6c,
 236.5 7, 8, 9, and 18; 256D.052, subdivision 3; 256J.21, subdivisions 1 and 2; and 259A.70, are
 236.6 repealed.

236.7 **EFFECTIVE DATE.** This section is effective August 1, 2021, except that the repeal
 236.8 of Minnesota Statutes, section 259A.70, is effective July 1, 2021.

236.9 ARTICLE 8

236.10 CHILD CARE ASSISTANCE

236.11 Section 1. Minnesota Statutes 2020, section 119B.03, is amended by adding a subdivision
 236.12 to read:

236.13 **Subd. 4a. Temporary reprioritization.** (a) Notwithstanding subdivision 4, priority for
 236.14 child care assistance under the basic sliding fee assistance program shall be determined
 236.15 according to this subdivision beginning July 1, 2021, through May 31, 2024.

236.16 (b) First priority must be given to eligible non-MFIP families who do not have a high
 236.17 school diploma or commissioner of education-selected high school equivalency certification
 236.18 or who need remedial and basic skill courses in order to pursue employment or to pursue
 236.19 education leading to employment and who need child care assistance to participate in the
 236.20 education program. This includes student parents as defined under section 119B.011,
 236.21 subdivision 19b. Within this priority, the following subpriorities must be used:

236.22 (1) child care needs of minor parents;

236.23 (2) child care needs of parents under 21 years of age; and

236.24 (3) child care needs of other parents within the priority group described in this paragraph.

236.25 (c) Second priority must be given to families in which at least one parent is a veteran,
 236.26 as defined under section 197.447.

236.27 (d) Third priority must be given to eligible families who do not meet the specifications
 236.28 of paragraph (b), (c), (e), or (f).

236.29 (e) Fourth priority must be given to families who are eligible for portable basic sliding
 236.30 fee assistance through the portability pool under subdivision 9.

237.1 (f) Fifth priority must be given to eligible families receiving services under section
 237.2 119B.011, subdivision 20a, if the parents have completed their MFIP or DWP transition
 237.3 year, or if the parents are no longer receiving or eligible for DWP supports.

237.4 (g) Families under paragraph (f) must be added to the basic sliding fee waiting list on
 237.5 the date they complete their transition year under section 119B.011, subdivision 20.

237.6 Sec. 2. Minnesota Statutes 2020, section 119B.03, subdivision 6, is amended to read:

237.7 Subd. 6. **Allocation formula.** The allocation component of basic sliding fee state and
 237.8 federal funds shall be allocated on a calendar year basis. Funds shall be allocated first in
 237.9 amounts equal to each county's guaranteed floor according to subdivision 8, with any
 237.10 remaining available funds allocated according to the following formula:

237.11 (a) One-fourth of the funds shall be allocated in proportion to each county's total
 237.12 expenditures for the basic sliding fee child care program reported during the most recent
 237.13 fiscal year completed at the time of the notice of allocation.

237.14 (b) Up to one-fourth of the funds shall be allocated in proportion to the number of families
 237.15 participating in the transition year child care program as reported during and averaged over
 237.16 the most recent six months completed at the time of the notice of allocation. Funds in excess
 237.17 of the amount necessary to serve all families in this category shall be allocated according
 237.18 to paragraph ~~(f)~~ (e).

237.19 ~~(e) Up to one-fourth of the funds shall be allocated in proportion to the average of each~~
 237.20 ~~county's most recent six months of reported first, second, and third priority waiting list as~~
 237.21 ~~defined in subdivision 2 and the reinstatement list of those families whose assistance was~~
 237.22 ~~terminated with the approval of the commissioner under Minnesota Rules, part 3400.0183,~~
 237.23 ~~subpart 1. Funds in excess of the amount necessary to serve all families in this category~~
 237.24 ~~shall be allocated according to paragraph (f).~~

237.25 ~~(d)~~ (c) Up to ~~one-fourth~~ one-half of the funds shall be allocated in proportion to the
 237.26 average of each county's most recent ~~six~~ 12 months of reported waiting list as defined in
 237.27 subdivision 2 and the reinstatement list of those families whose assistance was terminated
 237.28 with the approval of the commissioner under Minnesota Rules, part 3400.0183, subpart 1.
 237.29 Funds in excess of the amount necessary to serve all families in this category shall be
 237.30 allocated according to paragraph ~~(f)~~ (e).

237.31 ~~(e)~~ (d) The amount necessary to serve all families in paragraphs (b), ~~(e)~~, and ~~(d)~~ (c) shall
 237.32 be calculated based on the basic sliding fee average cost of care per family in the county
 237.33 with the highest cost in the most recently completed calendar year.

238.1 ~~(f)~~ (e) Funds in excess of the amount necessary to serve all families in paragraphs (b);
 238.2 ~~(e)~~; and ~~(d)~~ (c) shall be allocated in proportion to each county's total expenditures for the
 238.3 basic sliding fee child care program reported during the most recent fiscal year completed
 238.4 at the time of the notice of allocation.

238.5 **EFFECTIVE DATE.** This section is effective January 1, 2022. The 2022 calendar year
 238.6 shall be a phase-in year for the allocation formula in this section using phase-in provisions
 238.7 determined by the commissioner of human services.

238.8 Sec. 3. Minnesota Statutes 2020, section 119B.11, subdivision 2a, is amended to read:

238.9 Subd. 2a. **Recovery of overpayments.** (a) An amount of child care assistance paid to a
 238.10 recipient or provider in excess of the payment due is recoverable by the county agency or
 238.11 commissioner under paragraphs (b) and ~~(e)~~ (e), even when the overpayment was caused by
 238.12 ~~agency error or~~ circumstances outside the responsibility and control of the family or provider.
 238.13 Overpayments designated solely as agency error, and not the result of acts or omissions on
 238.14 the part of a provider or recipient, must not be established or collected.

238.15 (b) An overpayment must be recouped or recovered from the family if the overpayment
 238.16 benefited the family by causing the family to pay less for child care expenses than the family
 238.17 otherwise would have been required to pay under child care assistance program requirements.
 238.18 The recoupment or recovery shall proceed as follows:

238.19 (1) if the family remains eligible for child care assistance, the overpayment must be
 238.20 recovered through recoupment as identified in Minnesota Rules, part 3400.0187, except
 238.21 that the overpayments must be calculated and collected on a service period basis;

238.22 (2) if the family no longer remains eligible for child care assistance and the overpayments
 238.23 were the result of fraud under section 256.98 or 256.046, theft under section 609.52, false
 238.24 claims under the state or federal False Claims Act, or a federal crime relating to theft of
 238.25 government funds or fraudulent receipt of benefits for a program administered by the county
 238.26 or commissioner, the county or commissioner shall seek voluntary repayment from the
 238.27 family and shall initiate civil court proceedings to recover the overpayment if the county
 238.28 or commissioner is unable to recoup the overpayment through voluntary repayment;

238.29 (3) if the family no longer remains eligible for child care assistance, the overpayments
 238.30 were not the result of fraud, theft, or a federal crime as described in clause (2), and the
 238.31 overpayment is less than \$50, the county or commissioner may choose to initiate efforts to
 238.32 recover overpayments from the family for overpayment less than \$50. If the overpayment
 238.33 is greater than or equal to \$50, the county shall seek voluntary repayment of the overpayment

239.1 ~~from the family. If the county is unable to recoup the overpayment through voluntary~~
 239.2 ~~repayment, the county shall initiate civil court proceedings to recover the overpayment~~
 239.3 ~~unless the county's costs to recover the overpayment will exceed the amount of the~~
 239.4 ~~overpayment.; or~~

239.5 (4) if the family no longer remains eligible for child care assistance, the overpayments
 239.6 were not the result of fraud, theft, or a federal crime as described in clause (2), and the
 239.7 overpayment is greater than or equal to \$50, the county or commissioner shall seek voluntary
 239.8 repayment of the overpayment from the family. If the county or commissioner is unable to
 239.9 recoup the overpayment through voluntary repayment, the county or commissioner shall
 239.10 initiate civil court proceedings to recover the overpayment unless the county's or
 239.11 commissioner's costs to recover the overpayment will exceed the amount of the overpayment.

239.12 (c) The commissioner's authority to recoup and recover overpayments from families in
 239.13 paragraph (b) is limited to investigations conducted under chapter 245E.

239.14 (d) A family with an outstanding debt under this subdivision is not eligible for child care
 239.15 assistance until:

239.16 (1) the debt is paid in full; ~~or~~

239.17 (2) satisfactory arrangements are made with the county or commissioner to retire the
 239.18 debt consistent with the requirements of this chapter and Minnesota Rules, chapter 3400,
 239.19 and the family is in compliance with the arrangements.; or

239.20 (3) the commissioner determines that it is in the best interests of the state to compromise
 239.21 debts owed to the state pursuant to section 16D.15.

239.22 ~~(e)~~ (e) The county or commissioner must recover an overpayment from a provider if the
 239.23 overpayment did not benefit the family by causing it to receive more child care assistance
 239.24 or to pay less for child care expenses than the family otherwise would have been eligible
 239.25 to receive or required to pay under child care assistance program requirements, and benefited
 239.26 the provider by causing the provider to receive more child care assistance than otherwise
 239.27 would have been paid on the family's behalf under child care assistance program
 239.28 requirements. The recovery shall proceed as follows:

239.29 (1) if the provider continues to care for children receiving child care assistance, the
 239.30 overpayment must be recovered through ~~reductions in child care assistance payments for~~
 239.31 ~~services as described in an agreement with the county.~~ recoupment as identified in Minnesota
 239.32 Rules, part 3400.0187, and the provider may not charge families using that provider more
 239.33 to cover the cost of recouping the overpayment.;

240.1 (2) if the provider no longer cares for children receiving child care assistance and the
 240.2 overpayment was the result of fraud under section 256.98 or 256.046, theft under section
 240.3 609.52, false claims under the state or federal False Claims Act, or a federal crime relating
 240.4 to theft of government funds or fraudulent billing for a program administered by the county
 240.5 or commissioner, the county or commissioner shall seek voluntary repayment from the
 240.6 provider and shall initiate civil court proceedings to recover the overpayment if the county
 240.7 or commissioner is unable to recoup the overpayment through voluntary repayment;

240.8 (3) if the provider no longer cares for children receiving child care assistance, the
 240.9 overpayment was not the result of fraud, theft, or a federal crime as described under clause
 240.10 (2), and the overpayment is less than \$50, the county or commissioner may choose to initiate
 240.11 efforts to recover overpayments of less than \$50 from the provider. If the overpayment is
 240.12 greater than or equal to \$50, the county shall seek voluntary repayment of the overpayment
 240.13 from the provider. If the county is unable to recoup the overpayment through voluntary
 240.14 repayment, the county shall initiate civil court proceedings to recover the overpayment
 240.15 unless the county's costs to recover the overpayment will exceed the amount of the
 240.16 overpayment. the overpayment; or

240.17 (4) if the provider no longer cares for children receiving child care assistance, the
 240.18 overpayment was not the result of fraud, theft, or a federal crime as described under clause
 240.19 (2), and the overpayment is greater than or equal to \$50, the county or commissioner shall
 240.20 seek voluntary repayment of the overpayment from the provider. If the county or
 240.21 commissioner is unable to recoup the overpayment through voluntary repayment, the county
 240.22 or commissioner shall initiate civil court proceedings to recover the overpayment unless
 240.23 the county's or commissioner's costs to recover the overpayment will exceed the amount of
 240.24 the overpayment.

240.25 (f) A provider with an outstanding debt under this subdivision is not eligible to care for
 240.26 children receiving child care assistance until:

240.27 (1) the debt is paid in full; or

240.28 (2) satisfactory arrangements are made with the county or commissioner to retire the
 240.29 debt consistent with the requirements of this chapter and Minnesota Rules, chapter 3400,
 240.30 and the provider is in compliance with the arrangements; or

240.31 (3) the commissioner determines that it is in the best interests of the state to compromise
 240.32 debts owed to the state pursuant to section 16D.15.

240.33 ~~(d)~~ (g) When both the family and the provider acted together to intentionally cause the
 240.34 overpayment, both the family and the provider are jointly liable for the overpayment

241.1 regardless of who benefited from the overpayment. The county or commissioner must
 241.2 recover the overpayment as provided in paragraphs (b) and ~~(e)~~ (e). When the family or the
 241.3 provider is in compliance with a repayment agreement, the party in compliance is eligible
 241.4 to receive child care assistance or to care for children receiving child care assistance despite
 241.5 the other party's noncompliance with repayment arrangements.

241.6 (h) Neither a county agency nor the commissioner shall recover an overpayment from
 241.7 a family or a provider that occurred more than six years before the county or the
 241.8 commissioner determined the amount of the overpayment. This paragraph does not apply
 241.9 to overpayments that are the result of fraud under section 256.046 or 256.98, theft under
 241.10 section 609.52, false claims under the state or federal False Claims Act, or a federal crime
 241.11 relating to theft of government funds or fraudulent receipt of benefits.

241.12 **EFFECTIVE DATE.** This section is effective August 1, 2021.

241.13 Sec. 4. Minnesota Statutes 2020, section 119B.125, subdivision 1, is amended to read:

241.14 Subdivision 1. **Authorization.** ~~Except as provided in subdivision 5,~~ A county or the
 241.15 commissioner must authorize the provider chosen by an applicant or a participant before
 241.16 the county can authorize payment for care provided by that provider. The commissioner
 241.17 must establish the requirements necessary for authorization of providers. A provider must
 241.18 be reauthorized every two years. A legal, nonlicensed family child care provider also must
 241.19 be reauthorized when another person over the age of 13 joins the household, a current
 241.20 household member turns 13, or there is reason to believe that a household member has a
 241.21 factor that prevents authorization. The provider is required to report all family changes that
 241.22 would require reauthorization. When a provider has been authorized for payment for
 241.23 providing care for families in more than one county, the county responsible for
 241.24 reauthorization of that provider is the county of the family with a current authorization for
 241.25 that provider and who has used the provider for the longest length of time.

241.26 **EFFECTIVE DATE.** This section is effective August 1, 2021.

241.27 Sec. 5. Minnesota Statutes 2020, section 119B.13, subdivision 1, is amended to read:

241.28 Subdivision 1. **Subsidy restrictions.** (a) Beginning November 15, 2021, the maximum
 241.29 rate paid for child care assistance in any county or county price cluster under the child care
 241.30 fund shall be:

241.31 (1) for all infants and toddlers, the greater of the ~~25th~~ 40th percentile of the ~~2018~~ 2021
 241.32 child care provider rate survey or the rates in effect at the time of the update; and

242.1 (2) for all preschool and school-age children, the greater of the 30th percentile of the
 242.2 2021 child care provider rate survey or the rates in effect at the time of the update.

242.3 (b) Beginning the first full service period on or after January 1, 2025, the maximum rate
 242.4 paid for child care assistance in a county or county price cluster under the child care fund
 242.5 shall be:

242.6 (1) for all infants and toddlers, the greater of the 40th percentile of the 2024 child care
 242.7 provider rate survey or the rates in effect at the time of the update; and

242.8 (2) for all preschool and school-age children, the greater of the 30th percentile of the
 242.9 2024 child care provider rate survey or the rates in effect at the time of the update.

242.10 The rates under paragraph (a) continue until the rates under this paragraph go into effect.

242.11 (c) For a child care provider located within the boundaries of a city located in two or
 242.12 more of the counties of Benton, Sherburne, and Stearns, the maximum rate paid for child
 242.13 care assistance shall be equal to the maximum rate paid in the county with the highest
 242.14 maximum reimbursement rates or the provider's charge, whichever is less. The commissioner
 242.15 may: (1) assign a county with no reported provider prices to a similar price cluster; and (2)
 242.16 consider county level access when determining final price clusters.

242.17 ~~(b)~~ (d) A rate which includes a special needs rate paid under subdivision 3 may be in
 242.18 excess of the maximum rate allowed under this subdivision.

242.19 ~~(c)~~ (e) The department shall monitor the effect of this paragraph on provider rates. The
 242.20 county shall pay the provider's full charges for every child in care up to the maximum
 242.21 established. The commissioner shall determine the maximum rate for each type of care on
 242.22 an hourly, full-day, and weekly basis, including special needs and disability care.

242.23 ~~(d)~~ (f) If a child uses one provider, the maximum payment for one day of care must not
 242.24 exceed the daily rate. The maximum payment for one week of care must not exceed the
 242.25 weekly rate.

242.26 ~~(e)~~ (g) If a child uses two providers under section 119B.097, the maximum payment
 242.27 must not exceed:

242.28 (1) the daily rate for one day of care;

242.29 (2) the weekly rate for one week of care by the child's primary provider; and

242.30 (3) two daily rates during two weeks of care by a child's secondary provider.

243.1 ~~(f)~~ (h) Child care providers receiving reimbursement under this chapter must not be paid
 243.2 activity fees or an additional amount above the maximum rates for care provided during
 243.3 nonstandard hours for families receiving assistance.

243.4 ~~(g)~~ (i) If the provider charge is greater than the maximum provider rate allowed, the
 243.5 parent is responsible for payment of the difference in the rates in addition to any family
 243.6 co-payment fee.

243.7 ~~(h) All maximum provider rates changes shall be implemented on the Monday following~~
 243.8 ~~the effective date of the maximum provider rate.~~

243.9 ~~(i) Beginning September 21, 2020,~~ (j) The maximum registration fee paid for child care
 243.10 assistance in any county or county price cluster under the child care fund shall be set as
 243.11 follows: (1) beginning November 15, 2021, the greater of the 25th 40th percentile of the
 243.12 2018 2021 child care provider rate survey or the registration fee in effect at the time of the
 243.13 update; and (2) beginning the first full service period on or after January 1, 2025, the
 243.14 maximum registration fee shall be the greater of the 40th percentile of the 2024 child care
 243.15 provider rate survey or the registration fee in effect at the time of the update. The registration
 243.16 fees under clause (1) continue until the registration fees under clause (2) go into effect.

243.17 (k) Maximum registration fees must be set for licensed family child care and for child
 243.18 care centers. For a child care provider located in the boundaries of a city located in two or
 243.19 more of the counties of Benton, Sherburne, and Stearns, the maximum registration fee paid
 243.20 for child care assistance shall be equal to the maximum registration fee paid in the county
 243.21 with the highest maximum registration fee or the provider's charge, whichever is less.

243.22 **EFFECTIVE DATE.** This section is effective November 15, 2021.

243.23 Sec. 6. Minnesota Statutes 2020, section 119B.13, subdivision 1a, is amended to read:

243.24 Subd. 1a. **Legal nonlicensed family child care provider rates.** (a) Legal nonlicensed
 243.25 family child care providers receiving reimbursement under this chapter must be paid on an
 243.26 hourly basis for care provided to families receiving assistance.

243.27 (b) The maximum rate paid to legal nonlicensed family child care providers must be ~~68~~
 243.28 90 percent of the county maximum hourly rate for licensed family child care providers. In
 243.29 counties or county price clusters where the maximum hourly rate for licensed family child
 243.30 care providers is higher than the maximum weekly rate for those providers divided by 50,
 243.31 the maximum hourly rate that may be paid to legal nonlicensed family child care providers
 243.32 is the rate equal to the maximum weekly rate for licensed family child care providers divided
 243.33 by 50 and then multiplied by ~~0.68~~ 0.90. The maximum payment to a provider for one day

244.1 of care must not exceed the maximum hourly rate times ten. The maximum payment to a
244.2 provider for one week of care must not exceed the maximum hourly rate times 50.

244.3 (c) A rate which includes a special needs rate paid under subdivision 3 may be in excess
244.4 of the maximum rate allowed under this subdivision.

244.5 (d) Legal nonlicensed family child care providers receiving reimbursement under this
244.6 chapter may not be paid registration fees for families receiving assistance.

244.7 **EFFECTIVE DATE.** This section is effective November 15, 2021.

244.8 Sec. 7. Minnesota Statutes 2020, section 119B.13, subdivision 6, is amended to read:

244.9 Subd. 6. **Provider payments.** (a) A provider shall bill only for services documented
244.10 according to section 119B.125, subdivision 6. The provider shall bill for services provided
244.11 within ten days of the end of the service period. Payments under the child care fund shall
244.12 be made within 21 days of receiving a complete bill from the provider. Counties or the state
244.13 may establish policies that make payments on a more frequent basis.

244.14 (b) If a provider has received an authorization of care and been issued a billing form for
244.15 an eligible family, the bill must be submitted within 60 days of the last date of service on
244.16 the bill. A bill submitted more than 60 days after the last date of service must be paid if the
244.17 county determines that the provider has shown good cause why the bill was not submitted
244.18 within 60 days. Good cause must be defined in the county's child care fund plan under
244.19 section 119B.08, subdivision 3, and the definition of good cause must include county error.
244.20 Any bill submitted more than a year after the last date of service on the bill must not be
244.21 paid.

244.22 (c) If a provider provided care for a time period without receiving an authorization of
244.23 care and a billing form for an eligible family, payment of child care assistance may only be
244.24 made retroactively for a maximum of ~~six~~ three months from the date the provider is issued
244.25 an authorization of care and billing form. For a family at application, if a provider provided
244.26 child care during a time period without receiving an authorization of care and a billing form,
244.27 a county may only make child care assistance payments to the provider retroactively from
244.28 the date that child care began, or from the date that the family's eligibility began under
244.29 section 119B.09, subdivision 7, or from the date that the family meets authorization
244.30 requirements, not to exceed six months from the date that the provider is issued an
244.31 authorization of care and billing form, whichever is later.

244.32 (d) A county or the commissioner may refuse to issue a child care authorization to a
244.33 certified, licensed, or legal nonlicensed provider, revoke an existing child care authorization

245.1 to a certified, licensed, or legal nonlicensed provider, stop payment issued to a certified,
245.2 licensed, or legal nonlicensed provider, or refuse to pay a bill submitted by a certified,
245.3 licensed, or legal nonlicensed provider if:

245.4 (1) the provider admits to intentionally giving the county materially false information
245.5 on the provider's billing forms;

245.6 (2) a county or the commissioner finds by a preponderance of the evidence that the
245.7 provider intentionally gave the county materially false information on the provider's billing
245.8 forms, or provided false attendance records to a county or the commissioner;

245.9 (3) the provider is in violation of child care assistance program rules, until the agency
245.10 determines those violations have been corrected;

245.11 (4) the provider is operating after:

245.12 (i) an order of suspension of the provider's license issued by the commissioner;

245.13 (ii) an order of revocation of the provider's license issued by the commissioner; or

245.14 (iii) ~~a final order of conditional license issued by the commissioner for as long as the~~
245.15 ~~conditional license is in effect~~ an order of decertification issued to the provider;

245.16 (5) the provider submits false attendance reports or refuses to provide documentation
245.17 of the child's attendance upon request;

245.18 (6) the provider gives false child care price information; or

245.19 (7) the provider fails to report decreases in a child's attendance as required under section
245.20 119B.125, subdivision 9.

245.21 (e) For purposes of paragraph (d), clauses (3), (5), (6), and (7), the county or the
245.22 commissioner may withhold the provider's authorization or payment for a period of time
245.23 not to exceed three months beyond the time the condition has been corrected.

245.24 (f) A county's payment policies must be included in the county's child care plan under
245.25 section 119B.08, subdivision 3. If payments are made by the state, in addition to being in
245.26 compliance with this subdivision, the payments must be made in compliance with section
245.27 16A.124.

245.28 (g) If the commissioner or responsible county agency suspends or refuses payment to a
245.29 provider under paragraph (d), clause (1) or (2), or chapter 245E and the provider has:

245.30 (1) a disqualification for wrongfully obtaining assistance under section 256.98,
245.31 subdivision 8, paragraph (c);

246.1 (2) an administrative disqualification under section 256.046, subdivision 3; or

246.2 (3) a termination under section 245E.02, subdivision 4, paragraph (c), clause (4), or
246.3 245E.06;

246.4 then the provider forfeits the payment to the commissioner or the responsible county agency,
246.5 regardless of the amount assessed in an overpayment, charged in a criminal complaint, or
246.6 ordered as criminal restitution.

246.7 **EFFECTIVE DATE.** The amendments to paragraph (c) are effective July 1, 2021. The
246.8 amendments to paragraphs (d) and (g) are effective August 1, 2021.

246.9 Sec. 8. Minnesota Statutes 2020, section 119B.13, subdivision 7, is amended to read:

246.10 Subd. 7. **Absent days.** (a) Licensed child care providers and license-exempt centers
246.11 must not be reimbursed for more than 25 full-day absent days per child, excluding holidays,
246.12 in a calendar year, or for more than ten consecutive full-day absent days. "Absent day"
246.13 means any day that the child is authorized and scheduled to be in care with a licensed
246.14 provider or license-exempt center, and the child is absent from the care for the entire day.
246.15 Legal nonlicensed family child care providers must not be reimbursed for absent days. If a
246.16 child attends for part of the time authorized to be in care in a day, but is absent for part of
246.17 the time authorized to be in care in that same day, the absent time must be reimbursed but
246.18 the time must not count toward the absent days limit. Child care providers must only be
246.19 reimbursed for absent days if the provider has a written policy for child absences and charges
246.20 all other families in care for similar absences.

246.21 (b) Notwithstanding paragraph (a), children with documented medical conditions that
246.22 cause more frequent absences may exceed the 25 absent days limit, or ten consecutive
246.23 full-day absent days limit. Absences due to a documented medical condition of a parent or
246.24 sibling who lives in the same residence as the child receiving child care assistance do not
246.25 count against the absent days limit in a calendar year. Documentation of medical conditions
246.26 must be on the forms and submitted according to the timelines established by the
246.27 commissioner. A public health nurse or school nurse may verify the illness in lieu of a
246.28 medical practitioner. If a provider sends a child home early due to a medical reason,
246.29 including, but not limited to, fever or contagious illness, the child care center director or
246.30 lead teacher may verify the illness in lieu of a medical practitioner.

246.31 (c) Notwithstanding paragraph (a), children in families may exceed the absent days limit
246.32 if at least one parent: (1) is under the age of 21; (2) does not have a high school diploma or
246.33 commissioner of education-selected high school equivalency certification; and (3) is a

247.1 student in a school district or another similar program that provides or arranges for child
247.2 care, parenting support, social services, career and employment supports, and academic
247.3 support to achieve high school graduation, upon request of the program and approval of the
247.4 county. If a child attends part of an authorized day, payment to the provider must be for the
247.5 full amount of care authorized for that day.

247.6 (d) Child care providers must be reimbursed for up to ten federal or state holidays or
247.7 designated holidays per year when the provider charges all families for these days and the
247.8 holiday or designated holiday falls on a day when the child is authorized to be in attendance.
247.9 Parents may substitute other cultural or religious holidays for the ten recognized state and
247.10 federal holidays. Holidays do not count toward the absent days limit.

247.11 (e) A family ~~or child care provider~~ must not be assessed an overpayment for an absent
247.12 day payment unless (1) there was an error in the amount of care authorized for the family,
247.13 or (2) all of the allowed full-day absent payments for the child have been paid, ~~or (3) the~~
247.14 ~~family or provider did not timely report a change as required under law.~~

247.15 (f) The provider and family shall receive notification of the number of absent days used
247.16 upon initial provider authorization for a family and ongoing notification of the number of
247.17 absent days used as of the date of the notification.

247.18 (g) For purposes of this subdivision, "absent days limit" means 25 full-day absent days
247.19 per child, excluding holidays, in a calendar year; and ten consecutive full-day absent days.

247.20 (h) For purposes of this subdivision, "holidays limit" means ten full-day holidays per
247.21 child, excluding absent days, in a calendar year.

247.22 (i) If a day meets the criteria of an absent day or a holiday under this subdivision, the
247.23 provider must bill that day as an absent day or holiday. A provider's failure to properly bill
247.24 an absent day or a holiday results in an overpayment, regardless of whether the child reached,
247.25 or is exempt from, the absent days limit or holidays limit for the calendar year.

247.26 **EFFECTIVE DATE.** This section is effective August 1, 2021.

247.27 Sec. 9. Minnesota Statutes 2020, section 119B.25, is amended to read:

247.28 **119B.25 CHILD CARE IMPROVEMENT GRANTS.**

247.29 Subdivision 1. **Purpose.** The purpose of this section is to enhance and expand child care
247.30 sites, to encourage private investment in child care and early childhood education sites, to
247.31 promote availability of quality, affordable child care throughout Minnesota, and to provide

248.1 for cooperation between private nonprofit child care organizations, family child care and
 248.2 center providers and the department.

248.3 Subd. 2. **Grants.** (a) The commissioner shall distribute money provided by this section
 248.4 through ~~a grant grants to a one or more nonprofit corporation organized corporations~~ to
 248.5 plan, develop, and finance early childhood education and child care sites. ~~The~~ A nonprofit
 248.6 corporation must have demonstrated the ability to analyze financing projects, have knowledge
 248.7 of other sources of public and private financing for child care and early childhood education
 248.8 sites, and have a relationship with regional resource and referral programs. The board of
 248.9 directors of ~~the~~ a nonprofit corporation must include members who are knowledgeable about
 248.10 early childhood education, child care, development and improvement, and financing.

248.11 (b) The commissioners of the Departments of Human Services ~~and~~, Employment and
 248.12 Economic Development, and ~~the commissioner~~ of the Housing Finance Agency shall advise
 248.13 ~~the board on the~~ boards of any nonprofit corporations that use the grant money provided
 248.14 under this section for loan program programs as described in subdivision 3, paragraph (a),
 248.15 clauses (1) to (4). ~~The grant must be used to make loans to improve child care or early~~
 248.16 ~~childhood education sites, or loans to plan, design, and construct or expand licensed and~~
 248.17 ~~legal unlicensed sites to increase the availability of child care or early childhood education.~~
 248.18 All loans made by ~~the~~ a nonprofit corporation under this section must comply with section
 248.19 363A.16.

248.20 Subd. 3. **Financing program.** (a) A nonprofit corporation that receives a grant under
 248.21 this section shall use the money ~~to~~ for one or more of the following activities:

248.22 (1) to establish a revolving loan fund to make loans to existing, expanding, and new
 248.23 licensed and legal unlicensed child care and early childhood education sites;

248.24 (2) to establish a fund to guarantee private loans to improve or construct a child care or
 248.25 early childhood education site;

248.26 (3) to establish a fund to provide forgivable loans or grants to match all or part of a loan
 248.27 made under this section;

248.28 (4) to establish a fund as a reserve against bad debt; and

248.29 (5) ~~establish a fund~~ to provide business planning assistance for child care providers;

248.30 (6) to provide training and consultation for child care providers to build and strengthen
 248.31 their businesses and acquire key business skills; and

248.32 (7) to provide grants to child care providers for facility improvements, minor renovations,
 248.33 and related equipment and services, including assistance to meet licensing requirements,

249.1 needed to establish, maintain, or expand licensed and legal unlicensed child care and early
 249.2 childhood education sites.

249.3 ~~The (b) A~~ nonprofit corporation establishing loans under this section shall establish the
 249.4 terms and conditions for loans and loan guarantees including, but not limited to, interest
 249.5 rates, repayment agreements, private match requirements, and conditions for loan forgiveness.
 249.6 ~~The A~~ nonprofit corporation shall establish a minimum interest rate for loans to ensure that
 249.7 necessary loan administration costs are covered. ~~The A~~ nonprofit corporation may use
 249.8 interest earnings for administrative expenses.

249.9 Subd. 4. **Reporting.** A nonprofit corporation that receives a grant under this section
 249.10 shall:

249.11 (1) annually report by September 30 to the commissioner the purposes for which the
 249.12 grant money was used in the past fiscal year, including a description of projects supported
 249.13 by the financing, an account of loans and grants made ~~during the calendar year~~, the financing
 249.14 program's assets and liabilities, and an explanation of administrative expenses; and

249.15 (2) annually submit to the commissioner a copy of the report of an independent audit
 249.16 performed in accordance with generally accepted accounting practices and auditing standards.

249.17 Sec. 10. Minnesota Statutes 2020, section 245E.07, subdivision 1, is amended to read:

249.18 Subdivision 1. **Grounds for and methods of monetary recovery.** (a) The department
 249.19 may obtain monetary recovery from a provider who has been improperly paid by the child
 249.20 care assistance program, regardless of whether the error was intentional ~~or county error~~.
 249.21 Overpayments designated solely as agency error, and not the result of acts or omissions on
 249.22 the part of a provider or recipient, must not be established or collected. The department
 249.23 does not need to establish a pattern as a precondition of monetary recovery of erroneous or
 249.24 false billing claims, duplicate billing claims, or billing claims based on false statements or
 249.25 financial misconduct.

249.26 (b) The department shall obtain monetary recovery from providers by the following
 249.27 means:

249.28 (1) permitting voluntary repayment of money, either in lump-sum payment or installment
 249.29 payments;

249.30 (2) using any legal collection process;

249.31 (3) deducting or withholding program payments; or

249.32 (4) utilizing the means set forth in chapter 16D.

250.1 **EFFECTIVE DATE.** This section is effective August 1, 2021.

250.2 Sec. 11. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; FEDERAL**
250.3 **FUND AND CHILD CARE AND DEVELOPMENT BLOCK GRANT**
250.4 **ALLOCATIONS.**

250.5 (a) The commissioner of human services shall allocate \$1,500,000 in fiscal year 2022
250.6 from the federal fund to award grants to community-based organizations working with
250.7 family, friend, and neighbor caregivers, with a particular emphasis on such caregivers
250.8 serving children from low-income families, families of color, Tribal communities, or families
250.9 with limited English language proficiency, to promote healthy development, social-emotional
250.10 learning, early literacy, and school readiness.

250.11 (b) The commissioner of human services shall allocate \$13,500,000 in fiscal year 2022
250.12 from the federal fund and \$9,000,000 in fiscal year 2022 from the child care and development
250.13 block grant for grants under Minnesota Statutes, section 119B.25, subdivision 3, paragraph
250.14 (a), clause (7).

250.15 (c) The commissioner of human services shall allocate \$1,500,000 in fiscal year 2022
250.16 from the federal fund and \$1,500,000 in fiscal year 2022 from the child care and development
250.17 block grant for workforce development grants to organizations operating child care resource
250.18 and referral programs under Minnesota Statutes, section 119B.19, to provide economically
250.19 challenged individuals the jobs skills training, career counseling, and job placement assistance
250.20 necessary to begin a career path in child care. By January 1, 2024, the commissioner shall
250.21 report to the chairs and ranking minority members of the legislative committees with
250.22 jurisdiction over early care and education the outcomes of the grant program, including the
250.23 effects on the child care workforce.

250.24 (d) The commissioner of human services shall allocate \$3,000,000 in fiscal year 2022
250.25 from the federal fund for business training grants under Minnesota Statutes, section 119B.25,
250.26 subdivision 3, paragraph (a), clause (6).

250.27 (e) The commissioner of human services shall allocate \$35,444,000 in fiscal year 2022,
250.28 \$66,398,000 in fiscal year 2023, \$81,755,000 in fiscal year 2024, and \$57,737,000 in fiscal
250.29 year 2025 from the child care and development block grant for rate and registration fee
250.30 increases under Minnesota Statutes, section 119B.13, subdivision 1, paragraphs (a) and (h),
250.31 including amounts for reprioritization of the basic sliding fee waiting list under Minnesota
250.32 Statutes, section 119B.03, subdivision 4a, amounts for additional funding for the basic
250.33 sliding fee child care assistance program under Minnesota Statutes, section 119B.03, and
250.34 amounts to increase child care assistance rates for legal, nonlicensed family child care

251.1 providers under Minnesota Statutes, section 119B.13, subdivision 1a. The commissioner
 251.2 may not increase the rate differential percentage established under Minnesota Statutes,
 251.3 section 119B.13, subdivision 3a or 3b. If increased federal discretionary child care
 251.4 development block grant funding is used to pay for the rate increase in this clause, the
 251.5 commissioner, in consultation with the commissioner of management and budget, may
 251.6 adjust the amount of working family credit expenditures as needed to meet the state's
 251.7 maintenance of effort requirements for the TANF block grant.

251.8 (f) The allocations in this section are available until June 30, 2025.

251.9 Sec. 12. **REPEALER.**

251.10 Minnesota Statutes 2020, section 119B.125, subdivision 5, is repealed effective August
 251.11 1, 2021.

251.12

ARTICLE 9

251.13

CHILD PROTECTION

251.14 Section 1. Minnesota Statutes 2020, section 256N.25, subdivision 2, is amended to read:

251.15 Subd. 2. **Negotiation of agreement.** (a) When a child is determined to be eligible for
 251.16 Northstar kinship assistance or adoption assistance, the financially responsible agency, or,
 251.17 if there is no financially responsible agency, the agency designated by the commissioner,
 251.18 must negotiate with the caregiver to develop an agreement under subdivision 1. If and when
 251.19 the caregiver and agency reach concurrence as to the terms of the agreement, both parties
 251.20 shall sign the agreement. The agency must submit the agreement, along with the eligibility
 251.21 determination outlined in sections 256N.22, subdivision 7, and 256N.23, subdivision 7, to
 251.22 the commissioner for final review, approval, and signature according to subdivision 1.

251.23 (b) A monthly payment is provided as part of the adoption assistance or Northstar kinship
 251.24 assistance agreement to support the care of children unless the child is eligible for adoption
 251.25 assistance and determined to be an at-risk child, in which case no payment will be made
 251.26 unless and until the caregiver obtains written documentation from a qualified expert that
 251.27 the potential disability upon which eligibility for the agreement was based has manifested
 251.28 itself.

251.29 (1) The amount of the payment made on behalf of a child eligible for Northstar kinship
 251.30 assistance or adoption assistance is determined through agreement between the prospective
 251.31 relative custodian or the adoptive parent and the financially responsible agency, or, if there
 251.32 is no financially responsible agency, the agency designated by the commissioner, using the

252.1 assessment tool established by the commissioner in section 256N.24, subdivision 2, and the
252.2 associated benefit and payments outlined in section 256N.26. Except as provided under
252.3 section 256N.24, subdivision 1, paragraph (c), the assessment tool establishes the monthly
252.4 benefit level for a child under foster care. The monthly payment under a Northstar kinship
252.5 assistance agreement or adoption assistance agreement may be negotiated up to the monthly
252.6 benefit level under foster care. In no case may the amount of the payment under a Northstar
252.7 kinship assistance agreement or adoption assistance agreement exceed the foster care
252.8 maintenance payment which would have been paid during the month if the child with respect
252.9 to whom the Northstar kinship assistance or adoption assistance payment is made had been
252.10 in a foster family home in the state.

252.11 (2) The rate schedule for the agreement is determined based on the age of the child on
252.12 the date that the prospective adoptive parent or parents or relative custodian or custodians
252.13 sign the agreement.

252.14 (3) The income of the relative custodian or custodians or adoptive parent or parents must
252.15 not be taken into consideration when determining eligibility for Northstar kinship assistance
252.16 or adoption assistance or the amount of the payments under section 256N.26.

252.17 (4) With the concurrence of the relative custodian or adoptive parent, the amount of the
252.18 payment may be adjusted periodically using the assessment tool established by the
252.19 commissioner in section 256N.24, subdivision 2, and the agreement renegotiated under
252.20 subdivision 3 when there is a change in the child's needs or the family's circumstances.

252.21 (5) An adoptive parent of an at-risk child with an adoption assistance agreement may
252.22 request a reassessment of the child under section 256N.24, subdivision 10, and renegotiation
252.23 of the adoption assistance agreement under subdivision 3 to include a monthly payment, if
252.24 the caregiver has written documentation from a qualified expert that the potential disability
252.25 upon which eligibility for the agreement was based has manifested itself. Documentation
252.26 of the disability must be limited to evidence deemed appropriate by the commissioner.

252.27 (c) For Northstar kinship assistance agreements:

252.28 (1) the initial amount of the monthly Northstar kinship assistance payment must be
252.29 equivalent to the foster care rate in effect at the time that the agreement is signed ~~less any~~
252.30 ~~offsets under section 256N.26, subdivision 11,~~ or a lesser negotiated amount if agreed to
252.31 by the prospective relative custodian and specified in that agreement, unless the Northstar
252.32 kinship assistance agreement is entered into when a child is under the age of six; and

252.33 (2) the amount of the monthly payment for a Northstar kinship assistance agreement for
252.34 a child who is under the age of six must be as specified in section 256N.26, subdivision 5.

253.1 (d) For adoption assistance agreements:

253.2 (1) for a child in foster care with the prospective adoptive parent immediately prior to
253.3 adoptive placement, the initial amount of the monthly adoption assistance payment must
253.4 be equivalent to the foster care rate in effect at the time that the agreement is signed ~~less~~
253.5 ~~any offsets in section 256N.26, subdivision 11,~~ or a lesser negotiated amount if agreed to
253.6 by the prospective adoptive parents and specified in that agreement, unless the child is
253.7 identified as at-risk or the adoption assistance agreement is entered into when a child is
253.8 under the age of six;

253.9 (2) for an at-risk child who must be assigned level A as outlined in section 256N.26, no
253.10 payment will be made unless and until the potential disability manifests itself, as documented
253.11 by an appropriate professional, and the commissioner authorizes commencement of payment
253.12 by modifying the agreement accordingly;

253.13 (3) the amount of the monthly payment for an adoption assistance agreement for a child
253.14 under the age of six, other than an at-risk child, must be as specified in section 256N.26,
253.15 subdivision 5;

253.16 (4) for a child who is in the Northstar kinship assistance program immediately prior to
253.17 adoptive placement, the initial amount of the adoption assistance payment must be equivalent
253.18 to the Northstar kinship assistance payment in effect at the time that the adoption assistance
253.19 agreement is signed or a lesser amount if agreed to by the prospective adoptive parent and
253.20 specified in that agreement, unless the child is identified as an at-risk child; and

253.21 (5) for a child who is not in foster care placement or the Northstar kinship assistance
253.22 program immediately prior to adoptive placement or negotiation of the adoption assistance
253.23 agreement, the initial amount of the adoption assistance agreement must be determined
253.24 using the assessment tool and process in this section and the corresponding payment amount
253.25 outlined in section 256N.26.

253.26 Sec. 2. Minnesota Statutes 2020, section 256N.25, subdivision 3, is amended to read:

253.27 Subd. 3. **Renegotiation of agreement.** (a) A relative custodian or adoptive parent of a
253.28 child with a Northstar kinship assistance or adoption assistance agreement may request
253.29 renegotiation of the agreement when there is a change in the needs of the child or in the
253.30 family's circumstances. When a relative custodian or adoptive parent requests renegotiation
253.31 of the agreement, a reassessment of the child must be completed consistent with section
253.32 256N.24, subdivisions 10 and 11. If the reassessment indicates that the child's level has
253.33 changed, the financially responsible agency or, if there is no financially responsible agency,

254.1 the agency designated by the commissioner or the commissioner's designee, and the caregiver
 254.2 must renegotiate the agreement to include a payment with the level determined through the
 254.3 reassessment process. The agreement must not be renegotiated unless the commissioner,
 254.4 the financially responsible agency, and the caregiver mutually agree to the changes. The
 254.5 effective date of any renegotiated agreement must be determined by the commissioner.

254.6 (b) An adoptive parent of an at-risk child with an adoption assistance agreement may
 254.7 request renegotiation of the agreement to include a monthly payment under section 256N.26
 254.8 if the caregiver has written documentation from a qualified expert that the potential disability
 254.9 upon which eligibility for the agreement was based has manifested itself. Documentation
 254.10 of the disability must be limited to evidence deemed appropriate by the commissioner. Prior
 254.11 to renegotiating the agreement, a reassessment of the child must be conducted as outlined
 254.12 in section 256N.24, subdivision 10. The reassessment must be used to renegotiate the
 254.13 agreement to include an appropriate monthly payment. The agreement must not be
 254.14 renegotiated unless the commissioner, the financially responsible agency, and the caregiver
 254.15 mutually agree to the changes. The effective date of any renegotiated agreement must be
 254.16 determined by the commissioner.

254.17 ~~(e) Renegotiation of a Northstar kinship assistance or adoption assistance agreement is~~
 254.18 ~~required when one of the circumstances outlined in section 256N.26, subdivision 13, occurs.~~

254.19 Sec. 3. Minnesota Statutes 2020, section 256N.26, subdivision 11, is amended to read:

254.20 Subd. 11. **Child income or income attributable to the child.** (a) A monthly Northstar
 254.21 kinship assistance or adoption assistance payment must be considered as income and
 254.22 resources attributable to the child. Northstar kinship assistance and adoption assistance are
 254.23 exempt from garnishment, except as permissible under the laws of the state where the child
 254.24 resides.

254.25 (b) When a child is placed into foster care, any income and resources attributable to the
 254.26 child are treated as provided in sections 252.27 and 260C.331, or 260B.331, as applicable
 254.27 to the child being placed.

254.28 ~~(c) Consideration of income and resources attributable to the child must be part of the~~
 254.29 ~~negotiation process outlined in section 256N.25, subdivision 2. In some circumstances, the~~
 254.30 ~~receipt of other income on behalf of the child may impact the amount of the monthly payment~~
 254.31 ~~received by the relative custodian or adoptive parent on behalf of the child through Northstar~~
 254.32 ~~Care for Children. Supplemental Security Income (SSI), retirement survivor's disability~~
 254.33 ~~insurance (RSDI), veteran's benefits, railroad retirement benefits, and black lung benefits~~
 254.34 ~~are considered income and resources attributable to the child.~~

255.1 Sec. 4. Minnesota Statutes 2020, section 256N.26, subdivision 13, is amended to read:

255.2 Subd. 13. **Treatment of retirement survivor's disability insurance, veteran's benefits,**
255.3 **railroad retirement benefits, and black lung benefits.** (a) If a child placed in foster care
255.4 receives retirement survivor's disability insurance, veteran's benefits, railroad retirement
255.5 benefits, or black lung benefits at the time of foster care placement or subsequent to
255.6 placement in foster care, the financially responsible agency may apply to be the payee for
255.7 the child for the duration of the child's placement in foster care. If it is anticipated that a
255.8 child will be eligible to receive retirement survivor's disability insurance, veteran's benefits,
255.9 railroad retirement benefits, or black lung benefits after finalization of the adoption or
255.10 assignment of permanent legal and physical custody, the permanent caregiver shall apply
255.11 to be the payee of those benefits on the child's behalf. ~~The monthly amount of the other~~
255.12 ~~benefits must be considered an offset to the amount of the payment the child is determined~~
255.13 ~~eligible for under Northstar Care for Children.~~

255.14 ~~(b) If a child becomes eligible for retirement survivor's disability insurance, veteran's~~
255.15 ~~benefits, railroad retirement benefits, or black lung benefits, after the initial amount of the~~
255.16 ~~payment under Northstar Care for Children is finalized, the permanent caregiver shall contact~~
255.17 ~~the commissioner to redetermine the payment under Northstar Care for Children. The~~
255.18 ~~monthly amount of the other benefits must be considered an offset to the amount of the~~
255.19 ~~payment the child is determined eligible for under Northstar Care for Children.~~

255.20 ~~(c) If a child ceases to be eligible for retirement survivor's disability insurance, veteran's~~
255.21 ~~benefits, railroad retirement benefits, or black lung benefits after the initial amount of the~~
255.22 ~~payment under Northstar Care for Children is finalized, the permanent caregiver shall contact~~
255.23 ~~the commissioner to redetermine the payment under Northstar Care for Children. The~~
255.24 ~~monthly amount of the payment under Northstar Care for Children must be the amount the~~
255.25 ~~child was determined to be eligible for prior to consideration of any offset.~~

255.26 ~~(d) If the monthly payment received on behalf of the child under retirement survivor's~~
255.27 ~~disability insurance, veteran's benefits, railroad retirement benefits, or black lung benefits~~
255.28 ~~changes after the adoption assistance or Northstar kinship assistance agreement is finalized,~~
255.29 ~~the permanent caregiver shall notify the commissioner as to the new monthly payment~~
255.30 ~~amount, regardless of the amount of the change in payment. If the monthly payment changes~~
255.31 ~~by \$75 or more, even if the change occurs incrementally over the duration of the term of~~
255.32 ~~the adoption assistance or Northstar kinship assistance agreement, the monthly payment~~
255.33 ~~under Northstar Care for Children must be adjusted without further consent to reflect the~~
255.34 ~~amount of the increase or decrease in the offset amount. Any subsequent change to the~~
255.35 ~~payment must be reported and handled in the same manner. A change of monthly payments~~

256.1 ~~of less than \$75 is not a permissible reason to renegotiate the adoption assistance or Northstar~~
256.2 ~~kinship assistance agreement under section 256N.25, subdivision 3. The commissioner shall~~
256.3 ~~review and revise the limit at which the adoption assistance or Northstar kinship assistance~~
256.4 ~~agreement must be renegotiated in accordance with subdivision 9.~~

256.5 Sec. 5. Minnesota Statutes 2020, section 260C.163, subdivision 3, is amended to read:

256.6 Subd. 3. **Appointment of counsel.** (a) The child, parent, guardian or custodian has the
256.7 right to effective assistance of counsel in connection with a proceeding in juvenile court as
256.8 provided in this subdivision.

256.9 (b) Except in proceedings where the sole basis for the petition is habitual truancy, if the
256.10 child desires counsel but is unable to employ it, the court shall appoint counsel to represent
256.11 the child who is ten years of age or older under section 611.14, clause (4), or other counsel
256.12 at public expense.

256.13 (c) ~~Except in proceedings where the sole basis for the petition is habitual truancy, if the~~
256.14 ~~parent, guardian, or custodian desires counsel but is unable to employ it, the court shall~~
256.15 ~~appoint counsel to represent the parent, guardian, or custodian in any case in which it feels~~
256.16 ~~that such an appointment is appropriate if the person would be financially unable to obtain~~
256.17 ~~counsel under the guidelines set forth in section 611.17. In all child protection proceedings~~
256.18 ~~where a child risks removal from the care of the child's parent, guardian, or custodian,~~
256.19 ~~including a child in need of protection or services petition, an action pursuing removal of~~
256.20 ~~a child from the child's home, a termination of parental rights petition, or a petition for~~
256.21 ~~permanent out-of-home placement, if the parent, guardian, or custodian desires counsel and~~
256.22 ~~is eligible for counsel under section 611.17, the court shall appoint counsel to represent~~
256.23 ~~each parent, guardian, or custodian prior to the first hearing on the petition and at all stages~~
256.24 ~~of the proceedings.~~ Court appointed counsel shall be at county expense as outlined in
256.25 paragraph (h).

256.26 (d) In any proceeding where the subject of a petition for a child in need of protection or
256.27 services is ten years of age or older, the responsible social services agency shall, within 14
256.28 days after filing the petition or at the emergency removal hearing under section 260C.178,
256.29 subdivision 1, if the child is present, fully and effectively inform the child of the child's
256.30 right to be represented by appointed counsel upon request and shall notify the court as to
256.31 whether the child desired counsel. Information provided to the child shall include, at a
256.32 minimum, the fact that counsel will be provided without charge to the child, that the child's
256.33 communications with counsel are confidential, and that the child has the right to participate
256.34 in all proceedings on a petition, including the opportunity to personally attend all hearings.

257.1 The responsible social services agency shall also, within 14 days of the child's tenth birthday,
257.2 fully and effectively inform the child of the child's right to be represented by counsel if the
257.3 child reaches the age of ten years while the child is the subject of a petition for a child in
257.4 need of protection or services or is a child under the guardianship of the commissioner.

257.5 (e) In any proceeding where the sole basis for the petition is habitual truancy, the child,
257.6 parent, guardian, and custodian do not have the right to appointment of a public defender
257.7 or other counsel at public expense. However, before any out-of-home placement, including
257.8 foster care or inpatient treatment, can be ordered, the court must appoint a public defender
257.9 or other counsel at public expense in accordance with this subdivision.

257.10 (f) Counsel for the child shall not also act as the child's guardian ad litem.

257.11 (g) In any proceeding where the subject of a petition for a child in need of protection or
257.12 services is not represented by an attorney, the court shall determine the child's preferences
257.13 regarding the proceedings, including informing the child of the right to appointed counsel
257.14 and asking whether the child desires counsel, if the child is of suitable age to express a
257.15 preference.

257.16 (h) Court-appointed counsel for the parent, guardian, or custodian under this subdivision
257.17 is at county expense. If the county has contracted with counsel meeting qualifications under
257.18 paragraph (i), the court shall appoint the counsel retained by the county, unless a conflict
257.19 of interest exists. If a conflict exists, after consulting with the chief judge of the judicial
257.20 district or the judge's designee, the county shall contract with competent counsel to provide
257.21 the necessary representation. The court may appoint only one counsel at public expense for
257.22 the first court hearing to represent the interests of the parents, guardians, and custodians,
257.23 unless, at any time during the proceedings upon petition of a party, the court determines
257.24 and makes written findings on the record that extraordinary circumstances exist that require
257.25 counsel to be appointed to represent a separate interest of other parents, guardians, or
257.26 custodians subject to the jurisdiction of the juvenile court.

257.27 ~~(i) Counsel retained by the county under paragraph (h) must meet the qualifications~~
257.28 ~~established by the Judicial Council in at least one of the following: (1) has a minimum of~~
257.29 ~~two years' experience handling child protection cases; (2) has training in handling child~~
257.30 ~~protection cases from a course or courses approved by the Judicial Council; or (3) is~~
257.31 ~~supervised by an attorney who meets the minimum qualifications under clause (1) or (2).~~

257.32 **EFFECTIVE DATE.** This section is effective January 1, 2023.

258.1 **Sec. 6. DIRECTION TO THE COMMISSIONER; INITIAL IMPLEMENTATION**
 258.2 **OF COURT-APPOINTED COUNSEL IN CHILD PROTECTION PROCEEDINGS.**

258.3 (a) The commissioner of human services shall consult with counties and court
 258.4 administration regarding the availability of and process for collecting data related to
 258.5 court-appointed counsel under Minnesota Statutes, section 260C.163, subdivision 3, including
 258.6 but not limited to:

258.7 (1) data documenting the presence of court-appointed counsel for qualifying parents,
 258.8 guardians, or custodians at each emergency protective hearing;

258.9 (2) total annual court-appointed parent representation expenditures for each county;

258.10 (3) an appropriate formula to be used for distributing funding to counties to defray the
 258.11 costs of court-appointed counsel in child protection proceedings;

258.12 (4) an appropriate allocation timeline for distributing funds to counties; and

258.13 (5) additional demographic information that would assist counties in obtaining title IV-E
 258.14 reimbursement.

258.15 (b) By July 1, 2022, the commissioner must report to the chairs and ranking minority
 258.16 members of the legislative committees with jurisdiction over human services and judiciary
 258.17 policy and finance with the findings from the consultation with counties and court
 258.18 administration and a plan for regular reporting of this data.

258.19 **ARTICLE 10**

258.20 **CHILD PROTECTION POLICY**

258.21 **Section 1. [260E.055] DUTY TO REPORT; PRIVATE OR PUBLIC YOUTH**
 258.22 **RECREATION PROGRAM.**

258.23 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
 258.24 the meanings given.

258.25 (b) "Abuse" means egregious harm, physical abuse, sexual abuse, substantial child
 258.26 endangerment, or threatened injury as these terms are defined under section 260E.03.

258.27 (c) "Adverse action" includes but is not limited to:

258.28 (1) discharge, suspension, termination, or transfer from the private or public youth
 258.29 recreation program;

258.30 (2) discharge from or termination of employment;

259.1 (3) demotion or reduction in remuneration for services; or

259.2 (4) restriction or prohibition of access to the private or public youth recreation program
259.3 or persons affiliated with it.

259.4 (d) "Employee" means a person who is 18 years of age or older who performs services
259.5 for hire for an employer and has full-time, part-time, or short-term responsibilities for the
259.6 care of the child including but not limited to day care, counseling, teaching, and coaching.
259.7 An employee does not include an independent contractor or volunteer.

259.8 (e) "Municipality" has the meaning given in section 466.01, subdivision 1.

259.9 (f) "Private or public youth recreation program" includes but is not limited to day camps
259.10 or programs involving athletics, theater, arts, religious education, outdoor education, youth
259.11 empowerment, or socialization.

259.12 Subd. 2. **Duty to report.** (a) An employee or supervisor of a private or public youth
259.13 recreation program shall immediately report information to the local welfare agency, agency
259.14 responsible for assessing or investigating the report, police department, county sheriff,
259.15 Tribal social services agency, or Tribal police department if:

259.16 (1) the employee or supervisor knows or has reason to believe that another employee or
259.17 supervisor is abusing or has abused a child within the preceding three years; or

259.18 (2) a child discloses to the employee or supervisor that the child is being abused or has
259.19 been abused within the preceding three years.

259.20 (b) An oral report shall be made immediately by telephone or otherwise. An oral report
259.21 shall be followed within 72 hours, exclusive of weekends and holidays, by a report in writing.
259.22 Any report shall be of sufficient content to identify the child, any person believed to be
259.23 responsible for the abuse of the child, the nature and extent of the abuse, and the name and
259.24 address of the reporter. The agency receiving the report shall accept a report notwithstanding
259.25 refusal by a reporter to provide the reporter's name or address if the report is otherwise
259.26 sufficient under this paragraph.

259.27 Subd. 3. **Retaliation prohibited.** (a) An employer of any person required to make a
259.28 report under this section shall not retaliate against the person for reporting in good faith, or
259.29 against a child with respect to whom a report is made, because of the report.

259.30 (b) The employer of any person required to report under this section who retaliates
259.31 against the person because of a report under this section is liable to that person for actual
259.32 damages and, in addition, a penalty of up to \$10,000.

260.1 (c) There shall be a rebuttable presumption that any adverse action taken within 90 days
260.2 of a report is retaliatory.

260.3 Subd. 4. **Immunity.** (a) The following persons are immune from civil or criminal liability
260.4 if the person is acting in good faith:

260.5 (1) an employee or supervisor who reports pursuant to this section or, following the
260.6 submission of a report, cooperates with an assessment or investigation under this chapter;
260.7 and

260.8 (2) a municipality or private entity providing a private or public youth recreation program
260.9 that provides training on making a report under this section, assists in making a report under
260.10 this section, and following the submission of a report, cooperates with an investigation or
260.11 assessment under this chapter.

260.12 (b) This subdivision does not provide immunity to any person for failure to make a
260.13 required report or for committing abuse.

260.14 Subd. 5. **Penalties for failure to report; false reports.** (a) A person who is required to
260.15 report under this section but fails to report is guilty of a petty misdemeanor.

260.16 (b) Section 260E.08, paragraph (d), applies to reports made under this section.

260.17 Subd. 6. **Construction with other law.** As used in this section, "reports" does not include
260.18 mandated or voluntary reports under section 260E.06 and nothing in this section shall govern
260.19 reports made pursuant to section 260E.06.

260.20 **EFFECTIVE DATE.** This section is effective June 1, 2022.

260.21 Sec. 2. **[260E.065] TRAINING FOR REPORTERS.**

260.22 The local welfare agency must offer training to a person required to make a report under
260.23 section 260E.055 or 260E.06. The training may be offered online or in person and must
260.24 provide an explanation of the legal obligations of a reporter, consequences for failure to
260.25 report, and instruction on how to detect and report suspected maltreatment or suspected
260.26 abuse, as defined under section 260E.055, subdivision 1, paragraph (b). A local welfare
260.27 agency may fulfill the requirement under this section by directing reporters to trainings
260.28 offered by the commissioner.

260.29 Sec. 3. **LEGISLATIVE TASK FORCE; CHILD PROTECTION.**

260.30 (a) A legislative task force is created to:

- 261.1 (1) review the efforts being made to implement the recommendations of the Governor's
261.2 Task Force on the Protection of Children;
- 261.3 (2) expand the efforts into related areas of the child welfare system;
- 261.4 (3) work with the commissioner of human services and community partners to establish
261.5 and evaluate child protection grants to address disparities in child welfare pursuant to
261.6 Minnesota Statutes, section 256E.28;
- 261.7 (4) review and recommend alternatives to law enforcement responding to a maltreatment
261.8 report by removing the child and evaluate situations in which it may be appropriate for a
261.9 social worker or other child protection worker to remove the child from the home;
- 261.10 (5) evaluate current statutes governing mandatory reporters, consider the modification
261.11 of mandatory reporting requirements for private or public youth recreation programs, and,
261.12 if necessary, introduce legislation by February 15, 2022, to implement appropriate
261.13 modifications;
- 261.14 (6) evaluate and consider the intersection of educational neglect and the child protection
261.15 system; and
- 261.16 (7) identify additional areas within the child welfare system that need to be addressed
261.17 by the legislature.
- 261.18 (b) Members of the legislative task force shall include:
- 261.19 (1) six members from the house of representatives appointed by the speaker of the house,
261.20 including three from the majority party and three from the minority party; and
- 261.21 (2) six members from the senate, including three members appointed by the senate
261.22 majority leader and three members appointed by the senate minority leader.
- 261.23 (c) Members of the task force shall serve a term that expires on December 31 of the
261.24 even-numbered year following the year they are appointed. The speaker of the house and
261.25 the majority leader of the senate shall each appoint a chair and vice-chair from the
261.26 membership of the task force. The chair shall rotate after each meeting. The task force must
261.27 meet at least quarterly.
- 261.28 (d) Initial appointments to the task force shall be made by July 15, 2021. The chair shall
261.29 convene the first meeting of the task force by August 15, 2021.
- 261.30 (e) The task force may provide oversight and monitoring of:
- 261.31 (1) the efforts by the Department of Human Services, counties, and Tribes to implement
261.32 laws related to child protection;

262.1 (2) efforts by the Department of Human Services, counties, and Tribes to implement the
 262.2 recommendations of the Governor's Task Force on the Protection of Children;

262.3 (3) efforts by agencies including but not limited to the Department of Education, the
 262.4 Housing Finance Agency, the Department of Corrections, and the Department of Public
 262.5 Safety, to work with the Department of Human Services to assure safety and well-being for
 262.6 children at risk of harm or children in the child welfare system; and

262.7 (4) efforts by the Department of Human Services, other agencies, counties, and Tribes
 262.8 to implement best practices to ensure every child is protected from maltreatment and neglect
 262.9 and to ensure every child has the opportunity for healthy development.

262.10 (f) The task force, in cooperation with the commissioner of human services, shall issue
 262.11 a report to the legislature and governor by February 1, 2024. The report must contain
 262.12 information on the progress toward implementation of changes to the child protection system,
 262.13 recommendations for additional legislative changes and procedures affecting child protection
 262.14 and child welfare, and funding needs to implement recommended changes.

262.15 (g) This section expires December 31, 2024.

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

262.17 **ARTICLE 11**

262.18 **BEHAVIORAL HEALTH**

262.19 Section 1. Minnesota Statutes 2020, section 245.462, subdivision 17, is amended to read:

262.20 Subd. 17. **Mental health practitioner.** (a) "Mental health practitioner" means a person
 262.21 providing services to adults with mental illness or children with emotional disturbance who
 262.22 is qualified in at least one of the ways described in paragraphs (b) to (g). A mental health
 262.23 practitioner for a child client must have training working with children. A mental health
 262.24 practitioner for an adult client must have training working with adults.

262.25 (b) For purposes of this subdivision, a practitioner is qualified through relevant
 262.26 coursework if the practitioner completes at least 30 semester hours or 45 quarter hours in
 262.27 behavioral sciences or related fields and:

262.28 (1) has at least 2,000 hours of supervised experience in the delivery of services to adults
 262.29 or children with:

262.30 (i) mental illness, substance use disorder, or emotional disturbance; or

263.1 (ii) traumatic brain injury or developmental disabilities and completes training on mental
 263.2 illness, recovery from mental illness, mental health de-escalation techniques, co-occurring
 263.3 mental illness and substance abuse, and psychotropic medications and side effects;

263.4 (2) is fluent in the non-English language of the ethnic group to which at least 50 percent
 263.5 of the practitioner's clients belong, completes 40 hours of training in the delivery of services
 263.6 to adults with mental illness or children with emotional disturbance, and receives clinical
 263.7 supervision from a mental health professional at least once a week until the requirement of
 263.8 2,000 hours of supervised experience is met;

263.9 (3) is working in a day treatment program under section 245.4712, subdivision 2; ~~or~~

263.10 (4) has completed a practicum or internship that (i) requires direct interaction with adults
 263.11 or children served, and (ii) is focused on behavioral sciences or related fields; or

263.12 (5) is in the process of completing a practicum or internship as part of a formal
 263.13 undergraduate or graduate training program in social work, psychology, or counseling.

263.14 (c) For purposes of this subdivision, a practitioner is qualified through work experience
 263.15 if the person:

263.16 (1) has at least 4,000 hours of supervised experience in the delivery of services to adults
 263.17 or children with:

263.18 (i) mental illness, substance use disorder, or emotional disturbance; or

263.19 (ii) traumatic brain injury or developmental disabilities and completes training on mental
 263.20 illness, recovery from mental illness, mental health de-escalation techniques, co-occurring
 263.21 mental illness and substance abuse, and psychotropic medications and side effects; or

263.22 (2) has at least 2,000 hours of supervised experience in the delivery of services to adults
 263.23 or children with:

263.24 (i) mental illness, emotional disturbance, or substance use disorder, and receives clinical
 263.25 supervision as required by applicable statutes and rules from a mental health professional
 263.26 at least once a week until the requirement of 4,000 hours of supervised experience is met;
 263.27 or

263.28 (ii) traumatic brain injury or developmental disabilities; completes training on mental
 263.29 illness, recovery from mental illness, mental health de-escalation techniques, co-occurring
 263.30 mental illness and substance abuse, and psychotropic medications and side effects; and
 263.31 receives clinical supervision as required by applicable statutes and rules at least once a week

264.1 from a mental health professional until the requirement of 4,000 hours of supervised
264.2 experience is met.

264.3 (d) For purposes of this subdivision, a practitioner is qualified through a graduate student
264.4 internship if the practitioner is a graduate student in behavioral sciences or related fields
264.5 and is formally assigned by an accredited college or university to an agency or facility for
264.6 clinical training.

264.7 (e) For purposes of this subdivision, a practitioner is qualified by a bachelor's or master's
264.8 degree if the practitioner:

264.9 (1) holds a master's or other graduate degree in behavioral sciences or related fields; or

264.10 (2) holds a bachelor's degree in behavioral sciences or related fields and completes a
264.11 practicum or internship that (i) requires direct interaction with adults or children served,
264.12 and (ii) is focused on behavioral sciences or related fields.

264.13 (f) For purposes of this subdivision, a practitioner is qualified as a vendor of medical
264.14 care if the practitioner meets the definition of vendor of medical care in section 256B.02,
264.15 subdivision 7, paragraphs (b) and (c), and is serving a federally recognized tribe.

264.16 (g) For purposes of medical assistance coverage of diagnostic assessments, explanations
264.17 of findings, and psychotherapy under section 256B.0625, subdivision 65, a mental health
264.18 practitioner working as a clinical trainee means that the practitioner's clinical supervision
264.19 experience is helping the practitioner gain knowledge and skills necessary to practice
264.20 effectively and independently. This may include supervision of direct practice, treatment
264.21 team collaboration, continued professional learning, and job management. The practitioner
264.22 must also:

264.23 (1) comply with requirements for licensure or board certification as a mental health
264.24 professional, according to the qualifications under Minnesota Rules, part 9505.0371, subpart
264.25 5, item A, including supervised practice in the delivery of mental health services for the
264.26 treatment of mental illness; or

264.27 (2) be a student in a bona fide field placement or internship under a program leading to
264.28 completion of the requirements for licensure as a mental health professional according to
264.29 the qualifications under Minnesota Rules, part 9505.0371, subpart 5, item A.

264.30 (h) For purposes of this subdivision, "behavioral sciences or related fields" has the
264.31 meaning given in section 256B.0623, subdivision 5, paragraph (d).

265.1 (i) Notwithstanding the licensing requirements established by a health-related licensing
265.2 board, as defined in section 214.01, subdivision 2, this subdivision supersedes any other
265.3 statute or rule.

265.4 Sec. 2. Minnesota Statutes 2020, section 245.4876, is amended by adding a subdivision
265.5 to read:

265.6 Subd. 3a. **Individual treatment plans.** All providers of outpatient services, day treatment
265.7 services, professional home-based family treatment, residential treatment, and acute care
265.8 hospital inpatient treatment, and all regional treatment centers that provide mental health
265.9 services for children must develop an individual treatment plan for each child client. The
265.10 individual treatment plan must be based on a diagnostic assessment. To the extent appropriate,
265.11 the child and the child's family shall be involved in all phases of developing and
265.12 implementing the individual treatment plan. Providers of residential treatment, professional
265.13 home-based family treatment, and acute care hospital inpatient treatment, and regional
265.14 treatment centers must develop the individual treatment plan within ten working days of
265.15 client intake or admission and must review the individual treatment plan every 90 days after
265.16 intake. Providers of day treatment services must develop the individual treatment plan before
265.17 the completion of five working days in which service is provided or within 30 days after
265.18 the diagnostic assessment is completed or obtained, whichever occurs first. Providers of
265.19 outpatient services must develop the individual treatment plan within 30 days after the
265.20 diagnostic assessment is completed or obtained or by the end of the second session of an
265.21 outpatient service, not including the session in which the diagnostic assessment was provided,
265.22 whichever occurs first. Providers of outpatient and day treatment services must review the
265.23 individual treatment plan every 90 days after intake.

265.24 **EFFECTIVE DATE.** This section is effective September 30, 2021, and expires July
265.25 1, 2022.

265.26 Sec. 3. Minnesota Statutes 2020, section 245.4882, subdivision 1, is amended to read:

265.27 Subdivision 1. **Availability of residential treatment services.** County boards must
265.28 provide or contract for enough residential treatment services to meet the needs of each child
265.29 with severe emotional disturbance residing in the county and needing this level of care.
265.30 Length of stay is based on the child's residential treatment need and shall be ~~subject to the~~
265.31 ~~six-month review process established in section 260C.203, and for children in voluntary~~
265.32 ~~placement for treatment, the court review process in section 260D.06~~ reviewed every 90

266.1 days. Services must be appropriate to the child's age and treatment needs and must be made
 266.2 available as close to the county as possible. Residential treatment must be designed to:

266.3 (1) help the child improve family living and social interaction skills;

266.4 (2) help the child gain the necessary skills to return to the community;

266.5 (3) stabilize crisis admissions; and

266.6 (4) work with families throughout the placement to improve the ability of the families
 266.7 to care for children with severe emotional disturbance in the home.

266.8 **EFFECTIVE DATE.** This section is effective September 30, 2021.

266.9 Sec. 4. Minnesota Statutes 2020, section 245.4882, subdivision 3, is amended to read:

266.10 Subd. 3. **Transition to community.** Residential treatment facilities and regional treatment
 266.11 centers serving children must plan for and assist those children and their families in making
 266.12 a transition to less restrictive community-based services. Discharge planning for the child
 266.13 to return to the community must include identification of and referrals to appropriate home
 266.14 and community supports that meet the needs of the child and family. Discharge planning
 266.15 must begin within 30 days after the child enters residential treatment and be updated every
 266.16 60 days. Residential treatment facilities must also arrange for appropriate follow-up care
 266.17 in the community. Before a child is discharged, the residential treatment facility or regional
 266.18 treatment center shall provide notification to the child's case manager, if any, so that the
 266.19 case manager can monitor and coordinate the transition and make timely arrangements for
 266.20 the child's appropriate follow-up care in the community.

266.21 **EFFECTIVE DATE.** This section is effective September 30, 2021.

266.22 Sec. 5. Minnesota Statutes 2020, section 245.4885, subdivision 1, as amended by Laws
 266.23 2021, chapter 30, article 10, section 1, is amended to read:

266.24 Subdivision 1. **Admission criteria.** (a) Prior to admission or placement, except in the
 266.25 case of an emergency, all children referred for treatment of severe emotional disturbance
 266.26 in a treatment foster care setting, residential treatment facility, or informally admitted to a
 266.27 regional treatment center shall undergo an assessment to determine the appropriate level of
 266.28 care if public county funds are used to pay for the child's services.

266.29 (b) ~~The responsible social services agency~~ county board shall determine the appropriate
 266.30 level of care for a child when county-controlled funds are used to pay for the child's ~~services~~
 266.31 ~~or placement in a qualified residential treatment facility under chapter 260C and licensed~~

267.1 ~~by the commissioner under chapter 245A. In accordance with section 260C.157, a juvenile~~
267.2 ~~treatment screening team shall conduct a screening of a child before the team may recommend~~
267.3 ~~whether to place a child~~ residential treatment under this chapter, including residential
267.4 treatment provided in a qualified residential treatment program as defined in section
267.5 260C.007, subdivision 26d. When a ~~social services agency~~ county board does not have
267.6 responsibility for a child's placement and the child is enrolled in a prepaid health program
267.7 under section 256B.69, the enrolled child's contracted health plan must determine the
267.8 appropriate level of care for the child. When Indian Health Services funds or funds of a
267.9 tribally owned facility funded under the Indian Self-Determination and Education Assistance
267.10 Act, Public Law 93-638, are ~~to be~~ used for a the child, the Indian Health Services or 638
267.11 tribal health facility must determine the appropriate level of care for the child. When more
267.12 than one entity bears responsibility for a child's coverage, the entities shall coordinate level
267.13 of care determination activities for the child to the extent possible.

267.14 (c) ~~The responsible social services agency must make the child's level of care~~
267.15 ~~determination available to the child's juvenile treatment screening team, as permitted under~~
267.16 ~~chapter 13. The level of care determination shall inform the juvenile treatment screening~~
267.17 ~~team process and the assessment in section 260C.704 when considering whether to place~~
267.18 ~~the child in a qualified residential treatment program. When the responsible social services~~
267.19 ~~agency is not involved in determining a child's placement, the child's level of care~~
267.20 determination shall determine whether the proposed treatment:

267.21 (1) is necessary;

267.22 (2) is appropriate to the child's individual treatment needs;

267.23 (3) cannot be effectively provided in the child's home; and

267.24 (4) provides a length of stay as short as possible consistent with the individual child's
267.25 needs.

267.26 (d) When a level of care determination is conducted, the ~~responsible social services~~
267.27 ~~agency~~ county board or other entity may not determine that a screening of a child ~~under~~
267.28 ~~section 260C.157 or,~~ referral, or admission to a ~~treatment foster care setting or residential~~
267.29 treatment facility is not appropriate solely because services were not first provided to the
267.30 child in a less restrictive setting and the child failed to make progress toward or meet
267.31 treatment goals in the less restrictive setting. The level of care determination must be based
267.32 on a diagnostic assessment of a child that ~~includes a functional assessment which~~ evaluates
267.33 the child's family, school, and community living situations; and an assessment of the child's
267.34 need for care out of the home using a validated tool which assesses a child's functional status

268.1 and assigns an appropriate level of care to the child. The validated tool must be approved
 268.2 by the commissioner of human services and may be the validated tool approved for the
 268.3 child's assessment under section 260C.704 if the juvenile treatment screening team
 268.4 recommended placement of the child in a qualified residential treatment program. If a
 268.5 diagnostic assessment ~~including a functional assessment~~ has been completed by a mental
 268.6 health professional within the past 180 days, a new diagnostic assessment need not be
 268.7 completed unless in the opinion of the current treating mental health professional the child's
 268.8 mental health status has changed markedly since the assessment was completed. The child's
 268.9 parent shall be notified if an assessment will not be completed and of the reasons. A copy
 268.10 of the notice shall be placed in the child's file. Recommendations developed as part of the
 268.11 level of care determination process shall include specific community services needed by
 268.12 the child and, if appropriate, the child's family, and shall indicate whether these services
 268.13 are available and accessible to the child and the child's family. The child and the child's
 268.14 family must be invited to any meeting where the level of care determination is discussed
 268.15 and decisions regarding residential treatment are made. The child and the child's family
 268.16 may invite other relatives, friends, or advocates to attend these meetings.

268.17 (e) During the level of care determination process, the child, child's family, or child's
 268.18 legal representative, as appropriate, must be informed of the child's eligibility for case
 268.19 management services and family community support services and that an individual family
 268.20 community support plan is being developed by the case manager, if assigned.

268.21 ~~(f) When the responsible social services agency has authority, the agency must engage~~
 268.22 ~~the child's parents in case planning under sections 260C.212 and 260C.708 and chapter~~
 268.23 ~~260D unless a court terminates the parent's rights or court orders restrict the parent from~~
 268.24 ~~participating in case planning, visitation, or parental responsibilities.~~

268.25 ~~(g)~~ (f) The level of care determination, placement decision, and recommendations for
 268.26 mental health services must be documented in the child's record, ~~as required in chapters~~
 268.27 ~~260C and 260D~~ and made available to the child's family, as appropriate.

268.28 **EFFECTIVE DATE.** This section is effective September 30, 2021.

268.29 Sec. 6. Minnesota Statutes 2020, section 245.4889, subdivision 1, is amended to read:

268.30 Subdivision 1. **Establishment and authority.** (a) The commissioner is authorized to
 268.31 make grants from available appropriations to assist:

268.32 (1) counties;

268.33 (2) Indian tribes;

- 269.1 (3) children's collaboratives under section 124D.23 or 245.493; or
- 269.2 (4) mental health service providers.
- 269.3 (b) The following services are eligible for grants under this section:
- 269.4 (1) services to children with emotional disturbances as defined in section 245.4871,
- 269.5 subdivision 15, and their families;
- 269.6 (2) transition services under section 245.4875, subdivision 8, for young adults under
- 269.7 age 21 and their families;
- 269.8 (3) respite care services for children with emotional disturbances or severe emotional
- 269.9 disturbances who are at risk of out-of-home placement. A child is not required to have case
- 269.10 management services to receive respite care services;
- 269.11 (4) children's mental health crisis services;
- 269.12 (5) mental health services for people from cultural and ethnic minorities, including
- 269.13 supervision of clinical trainees who are Black, indigenous, or people of color;
- 269.14 (6) children's mental health screening and follow-up diagnostic assessment and treatment;
- 269.15 (7) services to promote and develop the capacity of providers to use evidence-based
- 269.16 practices in providing children's mental health services;
- 269.17 (8) school-linked mental health services under section 245.4901;
- 269.18 (9) building evidence-based mental health intervention capacity for children birth to age
- 269.19 five;
- 269.20 (10) suicide prevention and counseling services that use text messaging statewide;
- 269.21 (11) mental health first aid training;
- 269.22 (12) training for parents, collaborative partners, and mental health providers on the
- 269.23 impact of adverse childhood experiences and trauma and development of an interactive
- 269.24 website to share information and strategies to promote resilience and prevent trauma;
- 269.25 (13) transition age services to develop or expand mental health treatment and supports
- 269.26 for adolescents and young adults 26 years of age or younger;
- 269.27 (14) early childhood mental health consultation;
- 269.28 (15) evidence-based interventions for youth at risk of developing or experiencing a first
- 269.29 episode of psychosis, and a public awareness campaign on the signs and symptoms of
- 269.30 psychosis;

270.1 (16) psychiatric consultation for primary care practitioners; and

270.2 (17) providers to begin operations and meet program requirements when establishing a
270.3 new children's mental health program. These may be start-up grants.

270.4 (c) Services under paragraph (b) must be designed to help each child to function and
270.5 remain with the child's family in the community and delivered consistent with the child's
270.6 treatment plan. Transition services to eligible young adults under this paragraph must be
270.7 designed to foster independent living in the community.

270.8 (d) As a condition of receiving grant funds, a grantee shall obtain all available third-party
270.9 reimbursement sources, if applicable.

270.10 Sec. 7. Minnesota Statutes 2020, section 245.4901, as amended by Laws 2021, chapter
270.11 30, article 17, section 44, is amended to read:

270.12 **245.4901 SCHOOL-LINKED ~~MENTAL~~ BEHAVIORAL HEALTH GRANTS.**

270.13 Subdivision 1. **Establishment.** The commissioner of human services shall establish a
270.14 school-linked ~~mental~~ behavioral health grant program to provide early identification and
270.15 intervention for students with mental health and substance use disorder needs and to build
270.16 the capacity of schools to support students with mental health and substance use disorder
270.17 needs in the classroom.

270.18 Subd. 2. **Eligible applicants.** An eligible applicant for a school-linked ~~mental~~ behavioral
270.19 health grants grant is an entity or provider that is:

270.20 (1) a mental health clinic certified under section 245I.20;

270.21 (2) a community mental health center under section 256B.0625, subdivision 5;

270.22 (3) an Indian health service facility or a facility owned and operated by a tribe or tribal
270.23 organization operating under United States Code, title 25, section 5321;

270.24 (4) a provider of children's therapeutic services and supports as defined in section
270.25 256B.0943; ~~or~~

270.26 (5) enrolled in medical assistance as a mental health or substance use disorder provider
270.27 agency and employs at least two full-time equivalent mental health professionals qualified
270.28 according to section 245I.04, subdivision 2, or two alcohol and drug counselors licensed or
270.29 exempt from licensure under chapter 148F who are qualified to provide clinical services to
270.30 children and families;

271.1 (6) licensed under chapter 245G and in compliance with the applicable requirements in
 271.2 chapters 245A, 245C, and 260E, section 626.557, and Minnesota Rules, chapter 9544; or

271.3 (7) a licensed professional in private practice as defined in section 245G.01, subdivision
 271.4 17, who meets the requirements of section 254B.05, subdivision 1, paragraph (b).

271.5 Subd. 3. **Allowable grant activities and related expenses.** (a) Allowable grant activities
 271.6 and related expenses may include but are not limited to:

271.7 (1) identifying and diagnosing mental health conditions and substance use disorders of
 271.8 students;

271.9 (2) delivering mental health and substance use disorder treatment and services to students
 271.10 and their families, including via telemedicine consistent with section 256B.0625, subdivision
 271.11 3b;

271.12 (3) supporting families in meeting their child's needs, including navigating health care,
 271.13 social service, and juvenile justice systems;

271.14 (4) providing transportation for students receiving school-linked ~~mental~~ behavioral health
 271.15 services when school is not in session;

271.16 (5) building the capacity of schools to meet the needs of students with mental health and
 271.17 substance use disorder concerns, including school staff development activities for licensed
 271.18 and nonlicensed staff; and

271.19 (6) purchasing equipment, connection charges, on-site coordination, set-up fees, and
 271.20 site fees in order to deliver school-linked ~~mental~~ behavioral health services via telemedicine.

271.21 (b) Grantees shall obtain all available third-party reimbursement sources as a condition
 271.22 of receiving a grant. For purposes of this grant program, a third-party reimbursement source
 271.23 excludes a public school as defined in section 120A.20, subdivision 1. Grantees shall serve
 271.24 students regardless of health coverage status or ability to pay.

271.25 Subd. 4. **Data collection and outcome measurement.** Grantees shall provide data to
 271.26 the commissioner for the purpose of evaluating the effectiveness of the school-linked ~~mental~~
 271.27 behavioral health grant program.

271.28 Sec. 8. **[245.4902] CULTURALLY INFORMED AND CULTURALLY RESPONSIVE**
 271.29 **MENTAL HEALTH TASK FORCE.**

271.30 Subdivision 1. Establishment; duties. The Culturally Informed and Culturally
 271.31 Responsive Mental Health Task Force is established to evaluate and make recommendations

272.1 on improving the provision of culturally informed and culturally responsive mental health
 272.2 services throughout Minnesota. The task force must make recommendations on:

272.3 (1) recruiting mental health providers from diverse racial and ethnic communities;

272.4 (2) training all mental health providers on cultural competency and cultural humility;

272.5 (3) assessing the extent to which mental health provider organizations embrace diversity
 272.6 and demonstrate proficiency in culturally competent mental health treatment and services;

272.7 and

272.8 (4) increasing the number of mental health organizations owned, managed, or led by
 272.9 individuals who are Black, indigenous, or people of color.

272.10 Subd. 2. **Membership.** (a) The task force must consist of the following 16 members:

272.11 (1) the commissioner of human services or the commissioner's designee;

272.12 (2) one representative from the Board of Psychology;

272.13 (3) one representative from the Board of Marriage and Family Therapy;

272.14 (4) one representative from the Board of Behavioral Health and Therapy;

272.15 (5) one representative from the Board of Social Work;

272.16 (6) three members representing undergraduate and graduate-level mental health
 272.17 professional education programs, one appointed by the governor, one appointed by the
 272.18 speaker of the house of representatives, and one appointed by the senate majority leader;

272.19 (7) three mental health providers who are members of communities of color or
 272.20 underrepresented communities, as defined in section 148E.010, subdivision 20, one appointed
 272.21 by the governor, one appointed by the speaker of the house of representatives, and one
 272.22 appointed by the senate majority leader;

272.23 (8) two members representing mental health advocacy organizations, appointed by the
 272.24 governor;

272.25 (9) two mental health providers, appointed by the governor; and

272.26 (10) one expert in providing training and education in cultural competency and cultural
 272.27 responsiveness, appointed by the governor.

272.28 (b) Appointments to the task force must be made no later than June 1, 2022.

272.29 (c) Member compensation and reimbursement for expenses are governed by section
 272.30 15.059, subdivision 3.

273.1 Subd. 3. **Chairs; meetings.** The members of the task force must elect two cochairs of
 273.2 the task force no earlier than July 1, 2022, and the cochairs must convene the first meeting
 273.3 of the task force no later than August 15, 2022. The task force must meet upon the call of
 273.4 the cochairs, sufficiently often to accomplish the duties identified in this section. The task
 273.5 force is subject to the open meeting law under chapter 13D.

273.6 Subd. 4. **Administrative support.** The Department of Human Services must provide
 273.7 administrative support and meeting space for the task force.

273.8 Subd. 5. **Reports.** No later than January 1, 2023, and by January 1 of each year thereafter,
 273.9 the task force must submit a written report to the members of the legislative committees
 273.10 with jurisdiction over health and human services on the recommendations developed under
 273.11 subdivision 1.

273.12 Subd. 6. **Expiration.** The task force expires on January 1, 2025.

273.13 Sec. 9. Minnesota Statutes 2020, section 254B.01, subdivision 4a, is amended to read:

273.14 Subd. 4a. **Culturally specific or culturally responsive program.** (a) "Culturally specific
 273.15 or culturally responsive program" means a substance use disorder treatment service program
 273.16 or subprogram that is ~~recovery-focused and~~ culturally responsive or culturally specific when
 273.17 the program attests that it:

273.18 (1) improves service quality to and outcomes of a specific population community that
 273.19 shares a common language, racial, ethnic, or social background by advancing health equity
 273.20 to help eliminate health disparities; ~~and~~

273.21 (2) ensures effective, equitable, comprehensive, and respectful quality care services that
 273.22 are responsive to an individual within a specific population's community's values, beliefs
 273.23 and practices, health literacy, preferred language, and other communication needs; and

273.24 (3) is compliant with the national standards for culturally and linguistically appropriate
 273.25 services or other equivalent standards, as determined by the commissioner.

273.26 (b) A tribally licensed substance use disorder program that is designated as serving a
 273.27 culturally specific population by the applicable tribal government is deemed to satisfy this
 273.28 subdivision.

273.29 (c) A program satisfies the requirements of this subdivision if it attests that the program:

273.30 (1) is designed to address the unique needs of individuals who share a common language,
 273.31 racial, ethnic, or social background;

273.32 (2) is governed with significant input from individuals of that specific background; and

274.1 (3) employs individuals to provide treatment services, at least 50 percent of whom are
274.2 members of the specific community being served.

274.3 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
274.4 whichever is later. The commissioner shall notify the revisor of statutes when federal
274.5 approval is obtained.

274.6 Sec. 10. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision
274.7 to read:

274.8 Subd. 4b. **Disability responsive program.** "Disability responsive program" means a
274.9 program that:

274.10 (1) is designed to serve individuals with disabilities, including individuals with traumatic
274.11 brain injuries, developmental disabilities, cognitive disabilities, and physical disabilities;
274.12 and

274.13 (2) employs individuals to provide treatment services who have the necessary professional
274.14 training, as approved by the commissioner, to serve individuals with the specific disabilities
274.15 that the program is designed to serve.

274.16 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
274.17 whichever is later. The commissioner shall notify the revisor of statutes when federal
274.18 approval is obtained.

274.19 Sec. 11. Minnesota Statutes 2020, section 254B.05, subdivision 5, is amended to read:

274.20 Subd. 5. **Rate requirements.** (a) The commissioner shall establish rates for substance
274.21 use disorder services and service enhancements funded under this chapter.

274.22 (b) Eligible substance use disorder treatment services include:

274.23 (1) outpatient treatment services that are licensed according to sections 245G.01 to
274.24 245G.17, or applicable tribal license;

274.25 (2) comprehensive assessments provided according to sections 245.4863, paragraph (a),
274.26 and 245G.05;

274.27 (3) care coordination services provided according to section 245G.07, subdivision 1,
274.28 paragraph (a), clause (5);

274.29 (4) peer recovery support services provided according to section 245G.07, subdivision
274.30 2, clause (8);

275.1 (5) on July 1, 2019, or upon federal approval, whichever is later, withdrawal management
275.2 services provided according to chapter 245F;

275.3 (6) medication-assisted therapy services that are licensed according to sections 245G.01
275.4 to 245G.17 and 245G.22, or applicable tribal license;

275.5 (7) medication-assisted therapy plus enhanced treatment services that meet the
275.6 requirements of clause (6) and provide nine hours of clinical services each week;

275.7 (8) high, medium, and low intensity residential treatment services that are licensed
275.8 according to sections 245G.01 to 245G.17 and 245G.21 or applicable tribal license which
275.9 provide, respectively, 30, 15, and five hours of clinical services each week;

275.10 (9) hospital-based treatment services that are licensed according to sections 245G.01 to
275.11 245G.17 or applicable tribal license and licensed as a hospital under sections 144.50 to
275.12 144.56;

275.13 (10) adolescent treatment programs that are licensed as outpatient treatment programs
275.14 according to sections 245G.01 to 245G.18 or as residential treatment programs according
275.15 to Minnesota Rules, parts 2960.0010 to 2960.0220, and 2960.0430 to 2960.0490, or
275.16 applicable tribal license;

275.17 (11) high-intensity residential treatment services that are licensed according to sections
275.18 245G.01 to 245G.17 and 245G.21 or applicable tribal license, which provide 30 hours of
275.19 clinical services each week provided by a state-operated vendor or to clients who have been
275.20 civilly committed to the commissioner, present the most complex and difficult care needs,
275.21 and are a potential threat to the community; and

275.22 (12) room and board facilities that meet the requirements of subdivision 1a.

275.23 (c) The commissioner shall establish higher rates for programs that meet the requirements
275.24 of paragraph (b) and one of the following additional requirements:

275.25 (1) programs that serve parents with their children if the program:

275.26 (i) provides on-site child care during the hours of treatment activity that:

275.27 (A) is licensed under chapter 245A as a child care center under Minnesota Rules, chapter
275.28 9503; or

275.29 (B) meets the licensure exclusion criteria of section 245A.03, subdivision 2, paragraph
275.30 (a), clause (6), and meets the requirements under section 245G.19, subdivision 4; or

275.31 (ii) arranges for off-site child care during hours of treatment activity at a facility that is
275.32 licensed under chapter 245A as:

- 276.1 (A) a child care center under Minnesota Rules, chapter 9503; or
- 276.2 (B) a family child care home under Minnesota Rules, chapter 9502;
- 276.3 (2) culturally specific or culturally responsive programs as defined in section 254B.01,
- 276.4 subdivision 4a, ~~or~~;
- 276.5 (3) disability responsive programs as defined in section 254B.01, subdivision 4b;
- 276.6 ~~programs or subprograms serving special populations, if the program or subprogram~~
- 276.7 ~~meets the following requirements:~~
- 276.8 ~~(i) is designed to address the unique needs of individuals who share a common language,~~
- 276.9 ~~racial, ethnic, or social background;~~
- 276.10 ~~(ii) is governed with significant input from individuals of that specific background; and~~
- 276.11 ~~(iii) employs individuals to provide individual or group therapy, at least 50 percent of~~
- 276.12 ~~whom are of that specific background, except when the common social background of the~~
- 276.13 ~~individuals served is a traumatic brain injury or cognitive disability and the program employs~~
- 276.14 ~~treatment staff who have the necessary professional training, as approved by the~~
- 276.15 ~~commissioner, to serve clients with the specific disabilities that the program is designed to~~
- 276.16 ~~serve;~~
- 276.17 ~~(3)~~ (4) programs that offer medical services delivered by appropriately credentialed
- 276.18 health care staff in an amount equal to two hours per client per week if the medical needs
- 276.19 of the client and the nature and provision of any medical services provided are documented
- 276.20 in the client file; ~~and~~ or
- 276.21 ~~(4)~~ (5) programs that offer services to individuals with co-occurring mental health and
- 276.22 chemical dependency problems if:
- 276.23 (i) the program meets the co-occurring requirements in section 245G.20;
- 276.24 (ii) 25 percent of the counseling staff are licensed mental health professionals, as defined
- 276.25 in section 245.462, subdivision 18, clauses (1) to (6), or are students or licensing candidates
- 276.26 under the supervision of a licensed alcohol and drug counselor supervisor and licensed
- 276.27 mental health professional, except that no more than 50 percent of the mental health staff
- 276.28 may be students or licensing candidates with time documented to be directly related to
- 276.29 provisions of co-occurring services;
- 276.30 (iii) clients scoring positive on a standardized mental health screen receive a mental
- 276.31 health diagnostic assessment within ten days of admission;

277.1 (iv) the program has standards for multidisciplinary case review that include a monthly
277.2 review for each client that, at a minimum, includes a licensed mental health professional
277.3 and licensed alcohol and drug counselor, and their involvement in the review is documented;

277.4 (v) family education is offered that addresses mental health and substance abuse disorders
277.5 and the interaction between the two; and

277.6 (vi) co-occurring counseling staff shall receive eight hours of co-occurring disorder
277.7 training annually.

277.8 (d) In order to be eligible for a higher rate under paragraph (c), clause (1), a program
277.9 that provides arrangements for off-site child care must maintain current documentation at
277.10 the chemical dependency facility of the child care provider's current licensure to provide
277.11 child care services. Programs that provide child care according to paragraph (c), clause (1),
277.12 must be deemed in compliance with the licensing requirements in section 245G.19.

277.13 (e) Adolescent residential programs that meet the requirements of Minnesota Rules,
277.14 parts 2960.0430 to 2960.0490 and 2960.0580 to 2960.0690, are exempt from the requirements
277.15 in paragraph (c), clause (4), items (i) to (iv).

277.16 (f) Subject to federal approval, ~~chemical dependency~~ substance use disorder services
277.17 that are otherwise covered as direct face-to-face services may be provided via two-way
277.18 interactive video. The use of two-way interactive video must be medically appropriate to
277.19 the condition and needs of the person being served. Reimbursement shall be at the same
277.20 rates and under the same conditions that would otherwise apply to direct face-to-face services.
277.21 The interactive video equipment and connection must comply with Medicare standards in
277.22 effect at the time the service is provided.

277.23 (g) For the purpose of reimbursement under this section, substance use disorder treatment
277.24 services provided in a group setting without a group participant maximum or maximum
277.25 client to staff ratio under chapter 245G shall not exceed a client to staff ratio of 48 to one.
277.26 At least one of the attending staff must meet the qualifications as established under this
277.27 chapter for the type of treatment service provided. A recovery peer may not be included as
277.28 part of the staff ratio.

277.29 (h) Payment for outpatient substance use disorder services that are licensed according
277.30 to sections 245G.01 to 245G.17 is limited to six hours per day or 30 hours per week unless
277.31 prior authorization of a greater number of hours is obtained from the commissioner.

277.32 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
277.33 whichever is later.

278.1 Sec. 12. Minnesota Statutes 2020, section 254B.12, is amended by adding a subdivision
278.2 to read:

278.3 Subd. 4. **Culturally specific or culturally responsive program and disability**
278.4 **responsive program provider rate increase.** For the chemical dependency services listed
278.5 in section 254B.05, subdivision 5, provided by programs that meet the requirements of
278.6 section 254B.05, subdivision 5, paragraph (c), clauses (1), (2), and (3), on or after January
278.7 1, 2022, payment rates shall increase by five percent over the rates in effect on January 1,
278.8 2021. The commissioner shall increase prepaid medical assistance capitation rates as
278.9 appropriate to reflect this increase.

278.10 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
278.11 whichever is later. The commissioner shall notify the revisor of statutes when federal
278.12 approval is obtained.

278.13 Sec. 13. **[254B.151] SUBSTANCE USE DISORDER COMMUNITY OF PRACTICE.**

278.14 Subdivision 1. **Establishment; purpose.** The commissioner of human services, in
278.15 consultation with substance use disorder subject matter experts, shall establish a substance
278.16 use disorder community of practice. The purposes of the community of practice are to
278.17 improve treatment outcomes for individuals with substance use disorders and reduce
278.18 disparities by using evidence-based and best practices through peer-to-peer and
278.19 person-to-provider sharing.

278.20 Subd. 2. **Participants; meetings.** (a) The community of practice must include the
278.21 following participants:

278.22 (1) researchers or members of the academic community who are substance use disorder
278.23 subject matter experts, who do not have financial relationships with treatment providers;

278.24 (2) substance use disorder treatment providers;

278.25 (3) representatives from recovery community organizations;

278.26 (4) a representative from the Department of Human Services;

278.27 (5) a representative from the Department of Health;

278.28 (6) a representative from the Department of Corrections;

278.29 (7) representatives from county social services agencies;

278.30 (8) representatives from tribal nations or tribal social services providers; and

278.31 (9) representatives from managed care organizations.

279.1 (b) The community of practice must include individuals who have used substance use
 279.2 disorder treatment services and must highlight the voices and experiences of individuals
 279.3 who are Black, indigenous, people of color, and people from other communities that are
 279.4 disproportionately impacted by substance use disorders.

279.5 (c) The community of practice must meet regularly and must hold its first meeting before
 279.6 January 1, 2022.

279.7 (d) Compensation and reimbursement for expenses for participants in paragraph (b) are
 279.8 governed by section 15.059, subdivision 3.

279.9 Subd. 3. Duties. (a) The community of practice must:

279.10 (1) identify gaps in substance use disorder treatment services;

279.11 (2) enhance collective knowledge of issues related to substance use disorder;

279.12 (3) understand evidence-based practices, best practices, and promising approaches to
 279.13 address substance use disorder;

279.14 (4) use knowledge gathered through the community of practice to develop strategic plans
 279.15 to improve outcomes for individuals who participate in substance use disorder treatment
 279.16 and related services in Minnesota;

279.17 (5) increase knowledge about the challenges and opportunities learned by implementing
 279.18 strategies; and

279.19 (6) develop capacity for community advocacy.

279.20 (b) The commissioner, in collaboration with subject matter experts and other participants,
 279.21 may issue reports and recommendations to the legislative chairs and ranking minority
 279.22 members of committees with jurisdiction over health and human services policy and finance
 279.23 and local and regional governments.

279.24 Sec. 14. Minnesota Statutes 2020, section 256.042, subdivision 4, is amended to read:

279.25 Subd. 4. **Grants.** (a) The commissioner of human services shall submit a report of the
 279.26 grants proposed by the advisory council to be awarded for the upcoming ~~fiscal~~ calendar
 279.27 year to the chairs and ranking minority members of the legislative committees with
 279.28 jurisdiction over health and human services policy and finance, by ~~March~~ December 1 of
 279.29 each year, beginning March 1, 2020.

279.30 ~~(b) The commissioner of human services shall award grants from the opiate epidemic~~
 279.31 ~~response fund under section 256.043.~~ The grants shall be awarded to proposals selected by

280.1 the advisory council that address the priorities in subdivision 1, paragraph (a), clauses (1)
280.2 to (4), unless otherwise appropriated by the legislature. The advisory council shall determine
280.3 grant awards and funding amounts based on the funds appropriated to the commissioner
280.4 under section 256.043, subdivision 3, paragraph (e). The commissioner shall award the
280.5 grants from the opiate epidemic response fund and administer the grants in compliance with
280.6 section 16B.97. No more than ~~three~~ ten percent of the grant amount may be used by a grantee
280.7 for administration.

280.8 Sec. 15. Minnesota Statutes 2020, section 256.043, subdivision 3, is amended to read:

280.9 Subd. 3. **Appropriations from fund.** (a) After the appropriations in Laws 2019, chapter
280.10 63, article 3, section 1, ~~paragraphs~~ paragraph (e), (f), (g), and (h) are made, \$249,000 is
280.11 appropriated to the commissioner of human services for the provision of administrative
280.12 services to the Opiate Epidemic Response Advisory Council and for the administration of
280.13 the grants awarded under paragraph (e).

280.14 (b) \$126,000 is appropriated to the Board of Pharmacy for the collection of the registration
280.15 fees under section 151.066.

280.16 (c) \$672,000 is appropriated to the commissioner of public safety for the Bureau of
280.17 Criminal Apprehension. Of this amount, \$384,000 is for drug scientists and lab supplies
280.18 and \$288,000 is for special agent positions focused on drug interdiction and drug trafficking.

280.19 (d) After the appropriations in paragraphs (a) to (c) are made, 50 percent of the remaining
280.20 amount is appropriated to the commissioner of human services for distribution to county
280.21 social service and tribal social service agencies to provide child protection services to
280.22 children and families who are affected by addiction. The commissioner shall distribute this
280.23 money proportionally to counties and tribal social service agencies based on out-of-home
280.24 placement episodes where parental drug abuse is the primary reason for the out-of-home
280.25 placement using data from the previous calendar year. County and tribal social service
280.26 agencies receiving funds from the opiate epidemic response fund must annually report to
280.27 the commissioner on how the funds were used to provide child protection services, including
280.28 measurable outcomes, as determined by the commissioner. County social service agencies
280.29 and tribal social service agencies must not use funds received under this paragraph to supplant
280.30 current state or local funding received for child protection services for children and families
280.31 who are affected by addiction.

280.32 (e) After making the appropriations in paragraphs (a) to (d), the remaining amount in
280.33 the fund is appropriated to the commissioner to award grants as specified by the Opiate

281.1 Epidemic Response Advisory Council in accordance with section 256.042, unless otherwise
281.2 appropriated by the legislature.

281.3 (f) Beginning in fiscal year 2022 and each year thereafter, funds for county social service
281.4 and tribal social service agencies under paragraph (d) and grant funds specified by the Opiate
281.5 Epidemic Response Advisory Council under paragraph (e) shall be distributed on a calendar
281.6 year basis.

281.7 **EFFECTIVE DATE.** The amendment to paragraph (a) is effective July 1, 2024.

281.8 Sec. 16. Minnesota Statutes 2020, section 256B.0624, subdivision 7, as amended by Laws
281.9 2021, chapter 30, article 16, section 4, is amended to read:

281.10 Subd. 7. **Crisis stabilization services.** (a) Crisis stabilization services must be provided
281.11 by qualified staff of a crisis stabilization services provider entity and must meet the following
281.12 standards:

281.13 (1) a crisis treatment plan must be developed that meets the criteria in subdivision 11;

281.14 (2) staff must be qualified as defined in subdivision 8;

281.15 (3) crisis stabilization services must be delivered according to the crisis treatment plan
281.16 and include face-to-face contact with the recipient by qualified staff for further assessment,
281.17 help with referrals, updating of the crisis treatment plan, skills training, and collaboration
281.18 with other service providers in the community; and

281.19 (4) if a provider delivers crisis stabilization services while the recipient is absent, the
281.20 provider must document the reason for delivering services while the recipient is absent.

281.21 (b) If crisis stabilization services are provided in a supervised, licensed residential setting
281.22 that serves no more than four adult residents, and one or more individuals are present at the
281.23 setting to receive residential crisis stabilization, the residential staff must include, for at
281.24 least eight hours per day, at least one mental health professional, clinical trainee, certified
281.25 rehabilitation specialist, or mental health practitioner. The commissioner shall establish a
281.26 statewide per diem rate for crisis stabilization services provided under this paragraph to
281.27 medical assistance enrollees. The rate for a provider shall not exceed the rate charged by
281.28 that provider for the same service to other payers. Payment shall not be made to more than
281.29 one entity for each individual for services provided under this paragraph on a given day.
281.30 The commissioner shall set rates prospectively for the annual rate period. The commissioner
281.31 shall require providers to submit annual cost reports on a uniform cost reporting form and
281.32 shall use submitted cost reports to inform the rate-setting process. The commissioner shall
281.33 recalculate the statewide per diem every year.

282.1 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
282.2 whichever is later. The commissioner of human services shall notify the revisor of statutes
282.3 when federal approval is obtained.

282.4 Sec. 17. Minnesota Statutes 2020, section 256B.0625, subdivision 20, is amended to read:

282.5 Subd. 20. **Mental health case management.** (a) To the extent authorized by rule of the
282.6 state agency, medical assistance covers case management services to persons with serious
282.7 and persistent mental illness and children with severe emotional disturbance. Services
282.8 provided under this section must meet the relevant standards in sections 245.461 to 245.4887,
282.9 the Comprehensive Adult and Children's Mental Health Acts, Minnesota Rules, parts
282.10 9520.0900 to 9520.0926, and 9505.0322, excluding subpart 10.

282.11 (b) Entities meeting program standards set out in rules governing family community
282.12 support services as defined in section 245.4871, subdivision 17, are eligible for medical
282.13 assistance reimbursement for case management services for children with severe emotional
282.14 disturbance when these services meet the program standards in Minnesota Rules, parts
282.15 9520.0900 to 9520.0926 and 9505.0322, excluding subparts 6 and 10.

282.16 (c) Medical assistance and MinnesotaCare payment for mental health case management
282.17 shall be made on a monthly basis. In order to receive payment for an eligible child, the
282.18 provider must document at least a face-to-face contact with the child, the child's parents, or
282.19 the child's legal representative. To receive payment for an eligible adult, the provider must
282.20 document:

282.21 (1) at least a face-to-face contact with the adult or the adult's legal representative or a
282.22 contact by interactive video that meets the requirements of subdivision 20b; or

282.23 (2) at least a telephone contact with the adult or the adult's legal representative and
282.24 document a face-to-face contact or a contact by interactive video that meets the requirements
282.25 of subdivision 20b with the adult or the adult's legal representative within the preceding
282.26 two months.

282.27 (d) Payment for mental health case management provided by county or state staff shall
282.28 be based on the monthly rate methodology under section 256B.094, subdivision 6, paragraph
282.29 (b), with separate rates calculated for child welfare and mental health, and within mental
282.30 health, separate rates for children and adults.

282.31 (e) Payment for mental health case management provided by Indian health services or
282.32 by agencies operated by Indian tribes may be made according to this section or other relevant
282.33 federally approved rate setting methodology.

283.1 (f) Payment for mental health case management provided by vendors who contract with
283.2 a county ~~or Indian tribe shall be based on a monthly rate negotiated by the host county or~~
283.3 ~~tribe~~ must be calculated in accordance with section 256B.076, subdivision 2. Payment for
283.4 mental health case management provided by vendors who contract with a Tribe must be
283.5 based on a monthly rate negotiated by the Tribe. The ~~negotiated~~ rate must not exceed the
283.6 rate charged by the vendor for the same service to other payers. If the service is provided
283.7 by a team of contracted vendors, the ~~county or tribe may negotiate a team rate with a vendor~~
283.8 ~~who is a member of the team.~~ The team shall determine how to distribute the rate among
283.9 its members. No reimbursement received by contracted vendors shall be returned to the
283.10 county or tribe, except to reimburse the county or tribe for advance funding provided by
283.11 the county or tribe to the vendor.

283.12 (g) If the service is provided by a team which includes contracted vendors, tribal staff,
283.13 and county or state staff, the costs for county or state staff participation in the team shall be
283.14 included in the rate for county-provided services. In this case, the contracted vendor, the
283.15 tribal agency, and the county may each receive separate payment for services provided by
283.16 each entity in the same month. In order to prevent duplication of services, each entity must
283.17 document, in the recipient's file, the need for team case management and a description of
283.18 the roles of the team members.

283.19 (h) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for
283.20 mental health case management shall be provided by the recipient's county of responsibility,
283.21 as defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds
283.22 used to match other federal funds. If the service is provided by a tribal agency, the nonfederal
283.23 share, if any, shall be provided by the recipient's tribe. When this service is paid by the state
283.24 without a federal share through fee-for-service, 50 percent of the cost shall be provided by
283.25 the recipient's county of responsibility.

283.26 (i) Notwithstanding any administrative rule to the contrary, prepaid medical assistance
283.27 and MinnesotaCare include mental health case management. When the service is provided
283.28 through prepaid capitation, the nonfederal share is paid by the state and the county pays no
283.29 share.

283.30 (j) The commissioner may suspend, reduce, or terminate the reimbursement to a provider
283.31 that does not meet the reporting or other requirements of this section. The county of
283.32 responsibility, as defined in sections 256G.01 to 256G.12, or, if applicable, the tribal agency,
283.33 is responsible for any federal disallowances. The county or tribe may share this responsibility
283.34 with its contracted vendors.

284.1 (k) The commissioner shall set aside a portion of the federal funds earned for county
284.2 expenditures under this section to repay the special revenue maximization account under
284.3 section 256.01, subdivision 2, paragraph (o). The repayment is limited to:

284.4 (1) the costs of developing and implementing this section; and

284.5 (2) programming the information systems.

284.6 (l) Payments to counties and tribal agencies for case management expenditures under
284.7 this section shall only be made from federal earnings from services provided under this
284.8 section. When this service is paid by the state without a federal share through fee-for-service,
284.9 50 percent of the cost shall be provided by the state. Payments to county-contracted vendors
284.10 shall include the federal earnings, the state share, and the county share.

284.11 (m) Case management services under this subdivision do not include therapy, treatment,
284.12 legal, or outreach services.

284.13 (n) If the recipient is a resident of a nursing facility, intermediate care facility, or hospital,
284.14 and the recipient's institutional care is paid by medical assistance, payment for case
284.15 management services under this subdivision is limited to the lesser of:

284.16 (1) the last 180 days of the recipient's residency in that facility and may not exceed more
284.17 than six months in a calendar year; or

284.18 (2) the limits and conditions which apply to federal Medicaid funding for this service.

284.19 (o) Payment for case management services under this subdivision shall not duplicate
284.20 payments made under other program authorities for the same purpose.

284.21 (p) If the recipient is receiving care in a hospital, nursing facility, or residential setting
284.22 licensed under chapter 245A or 245D that is staffed 24 hours a day, seven days a week,
284.23 mental health targeted case management services must actively support identification of
284.24 community alternatives for the recipient and discharge planning.

284.25 Sec. 18. Minnesota Statutes 2020, section 256B.0759, subdivision 2, is amended to read:

284.26 Subd. 2. **Provider participation.** (a) Outpatient substance use disorder treatment
284.27 providers may elect to participate in the demonstration project and meet the requirements
284.28 of subdivision 3. To participate, a provider must notify the commissioner of the provider's
284.29 intent to participate in a format required by the commissioner and enroll as a demonstration
284.30 project provider.

284.31 (b) Programs licensed by the Department of Human Services as residential treatment
284.32 programs according to section 245G.21 that receive payment under this chapter must enroll

285.1 as demonstration project providers and meet the requirements of subdivision 3 by January
285.2 1, 2024. Programs that do not meet the requirements of this paragraph are ineligible for
285.3 payment for services provided under section 256B.0625.

285.4 (c) Programs licensed by the Department of Human Services as withdrawal management
285.5 programs according to chapter 245F that receive payment under this chapter must enroll as
285.6 demonstration project providers and meet the requirements of subdivision 3 by January 1,
285.7 2024. Programs that do not meet the requirements of this paragraph are ineligible for payment
285.8 for services provided under section 256B.0625.

285.9 (d) Out-of-state residential substance use disorder treatment programs that receive
285.10 payment under this chapter must enroll as demonstration project providers and meet the
285.11 requirements of subdivision 3 by January 1, 2024. Programs that do not meet the requirements
285.12 of this paragraph are ineligible for payment for services provided under section 256B.0625.

285.13 (e) Tribally licensed programs may elect to participate in the demonstration project and
285.14 meet the requirements of subdivision 3. The Department of Human Services must consult
285.15 with Tribal nations to discuss participation in the substance use disorder demonstration
285.16 project.

285.17 (f) The commissioner shall allow providers enrolled in the demonstration project before
285.18 July 1, 2021, to receive applicable rate enhancements authorized under subdivision 4 for
285.19 all services provided on or after the date of enrollment, except that the commissioner shall
285.20 allow a provider to receive applicable rate enhancements authorized under subdivision 4
285.21 for services provided on or after July 22, 2020, to fee-for-service enrollees, and on or after
285.22 January 1, 2021, to managed care enrollees, if the provider meets all of the following
285.23 requirements:

285.24 (1) the provider attests that during the time period for which the provider is seeking the
285.25 rate enhancement, the provider took meaningful steps in their plan approved by the
285.26 commissioner to meet the demonstration project requirements in subdivision 3; and

285.27 (2) the provider submits attestation and evidence, including all information requested
285.28 by the commissioner, of meeting the requirements of subdivision 3 to the commissioner in
285.29 a format required by the commissioner.

285.30 The commissioner may recoup any rate enhancements paid under this paragraph to a
285.31 provider that does not meet the requirements of subdivision 3 by July 1, 2021.

286.1 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
286.2 whichever is later, except paragraph (f) is effective the day following final enactment. The
286.3 commissioner shall notify the revisor of statutes when federal approval is obtained.

286.4 Sec. 19. Minnesota Statutes 2020, section 256B.0759, subdivision 4, is amended to read:

286.5 Subd. 4. **Provider payment rates.** (a) Payment rates for participating providers must
286.6 be increased for services provided to medical assistance enrollees. To receive a rate increase,
286.7 participating providers must meet demonstration project requirements and provide evidence
286.8 of formal referral arrangements with providers delivering step-up or step-down levels of
286.9 care. Providers that have enrolled in the demonstration project but have not met the provider
286.10 standards under subdivision 3 as of July 1, 2022, are not eligible for a rate increase under
286.11 this subdivision until the date that the provider meets the provider standards in subdivision
286.12 3. Services provided from July 1, 2022, to the date that the provider meets the provider
286.13 standards under subdivision 3 shall be reimbursed at rates according to section 254B.05,
286.14 subdivision 5, paragraph (b). Rate increases paid under this subdivision to a provider for
286.15 services provided between July 1, 2021, and July 1, 2022, are not subject to recoupment
286.16 when the provider is taking meaningful steps to meet demonstration project requirements
286.17 that are not otherwise required by law, and the provider provides documentation to the
286.18 commissioner, upon request, of the steps being taken.

286.19 (b) The commissioner may temporarily suspend payments to the provider according to
286.20 section 256B.04, subdivision 21, paragraph (d), if the provider does not meet the requirements
286.21 in paragraph (a). Payments withheld from the provider must be made once the commissioner
286.22 determines that the requirements in paragraph (a) are met.

286.23 ~~(b)~~ (c) For substance use disorder services under section 254B.05, subdivision 5,
286.24 paragraph (b), clause (8), provided on or after July 1, 2020, payment rates must be increased
286.25 by ~~15~~ 25 percent over the rates in effect on December 31, 2019.

286.26 ~~(e)~~ (d) For substance use disorder services under section 254B.05, subdivision 5,
286.27 paragraph (b), clauses (1), (6), and (7), and adolescent treatment programs that are licensed
286.28 as outpatient treatment programs according to sections 245G.01 to 245G.18, provided on
286.29 or after January 1, 2021, payment rates must be increased by ~~ten~~ 20 percent over the rates
286.30 in effect on December 31, 2020.

286.31 ~~(d)~~ (e) Effective January 1, 2021, and contingent on annual federal approval, managed
286.32 care plans and county-based purchasing plans must reimburse providers of the substance
286.33 use disorder services meeting the criteria described in paragraph (a) who are employed by
286.34 or under contract with the plan an amount that is at least equal to the fee-for-service base

287.1 rate payment for the substance use disorder services described in paragraphs ~~(b)~~ (c) and ~~(e)~~
287.2 (d). The commissioner must monitor the effect of this requirement on the rate of access to
287.3 substance use disorder services and residential substance use disorder rates. Capitation rates
287.4 paid to managed care organizations and county-based purchasing plans must reflect the
287.5 impact of this requirement. This paragraph expires if federal approval is not received at any
287.6 time as required under this paragraph.

287.7 ~~(e)~~ (f) Effective July 1, 2021, contracts between managed care plans and county-based
287.8 purchasing plans and providers to whom paragraph ~~(d)~~ (e) applies must allow recovery of
287.9 payments from those providers if, for any contract year, federal approval for the provisions
287.10 of paragraph ~~(d)~~ (e) is not received, and capitation rates are adjusted as a result. Payment
287.11 recoveries must not exceed the amount equal to any decrease in rates that results from this
287.12 provision.

287.13 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
287.14 whichever occurs later, except paragraphs (c) and (d) are effective January 1, 2022, or upon
287.15 federal approval, whichever is later. The commissioner shall notify the revisor of statutes
287.16 when federal approval is obtained.

287.17 Sec. 20. Minnesota Statutes 2020, section 256B.0759, is amended by adding a subdivision
287.18 to read:

287.19 **Subd. 6. Medium intensity residential program participation.** Medium intensity
287.20 residential programs that qualify to participate in the demonstration project shall use the
287.21 specified base payment rate of \$132.90 per day, and shall be eligible for the rate increases
287.22 specified in subdivision 4.

287.23 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2020.

287.24 Sec. 21. Minnesota Statutes 2020, section 256B.0759, is amended by adding a subdivision
287.25 to read:

287.26 **Subd. 7. Public access.** The state shall post the final documents, for example, monitoring
287.27 reports, close out report, approved evaluation design, interim evaluation report, and
287.28 summative evaluation report, on the state's Medicaid website within 30 calendar days of
287.29 approval by CMS.

287.30 **EFFECTIVE DATE.** This section is effective July 1, 2021.

288.1 Sec. 22. Minnesota Statutes 2020, section 256B.0759, is amended by adding a subdivision
288.2 to read:

288.3 Subd. 8. **Federal approval; demonstration project extension.** The commissioner shall
288.4 seek a five-year extension of the demonstration project under this section and to receive
288.5 enhanced federal financial participation.

288.6 **EFFECTIVE DATE.** This section is effective July 1, 2021.

288.7 Sec. 23. Minnesota Statutes 2020, section 256B.0759, is amended by adding a subdivision
288.8 to read:

288.9 Subd. 9. **Demonstration project evaluation work group.** Beginning October 1, 2021,
288.10 the commissioner shall assemble a work group of relevant stakeholders, including but not
288.11 limited to demonstration project participants and the Minnesota Association of Resources
288.12 for Recovery and Chemical Health, that shall meet at least quarterly for the duration of the
288.13 demonstration to evaluate the long-term sustainability of any improvements to quality or
288.14 access to substance use disorder treatment services caused by participation in the
288.15 demonstration project. The work group shall also determine how to implement successful
288.16 outcomes of the demonstration project once the project expires.

288.17 **EFFECTIVE DATE.** This section is effective July 1, 2021.

288.18 Sec. 24. **[256B.076] CASE MANAGEMENT SERVICES.**

288.19 Subdivision 1. **Generally.** (a) It is the policy of this state to ensure that individuals on
288.20 medical assistance receive cost-effective and coordinated care, including efforts to address
288.21 the profound effects of housing instability, food insecurity, and other social determinants
288.22 of health. Therefore, subject to federal approval, medical assistance covers targeted case
288.23 management services as described in this section.

288.24 (b) The commissioner, in collaboration with tribes, counties, providers, and individuals
288.25 served, must propose further modifications to targeted case management services to ensure
288.26 a program that complies with all federal requirements, delivers services in a cost-effective
288.27 and efficient manner, creates uniform expectations for targeted case management services,
288.28 addresses health disparities, and promotes person- and family-centered services.

288.29 Subd. 2. **Rate setting.** (a) The commissioner must develop and implement a statewide
288.30 rate methodology for any county that subcontracts targeted case management services to a
288.31 vendor. The commissioner must publish the final draft of the proposed rate methodology
288.32 at least 30 days prior to posting the state plan amendment for public comment and must

289.1 take stakeholder feedback into consideration by providing an opportunity for the public to
289.2 provide feedback on the proposed rate methodology. The commissioner must respond to
289.3 comments received before the submission of the state plan amendment, explaining the
289.4 commissioner's decisions regarding the responses and identifying any changes made in an
289.5 effort to respond to public feedback. On January 1, 2022, or upon federal approval, whichever
289.6 is later, a county must use this methodology for any targeted case management services
289.7 paid by medical assistance and delivered through a subcontractor.

289.8 (b) In setting this rate, the commissioner must include the following:

289.9 (1) prevailing wages;

289.10 (2) employee-related expense factor;

289.11 (3) paid time off and training factors;

289.12 (4) supervision and span of control;

289.13 (5) distribution of time factor;

289.14 (6) administrative factor;

289.15 (7) absence factor;

289.16 (8) program support factor;

289.17 (9) caseload sizes as published by the commissioner; and

289.18 (10) culturally specific program factor as described in subdivision 3.

289.19 (c) A county may request that the commissioner authorize a rate based on a different
289.20 caseload size when a subcontractor is assigned to serve individuals with needs, such as
289.21 homelessness or specific linguistic or cultural needs, that significantly differ from other
289.22 eligible populations. A county must include the following in the request:

289.23 (1) the number of clients to be served by a full-time equivalent staffer;

289.24 (2) the specific factors that require a case manager to provide a significantly different
289.25 number of hours of reimbursable services to a client; and

289.26 (3) how the county intends to monitor caseload size and outcomes.

289.27 (d) The commissioner must adjust only the factor for caseload size in paragraph (b),
289.28 clause (9), in response to a request under paragraph (c). The commissioner must not duplicate
289.29 costs assumed by the culturally specific program factor in paragraph (b), clause (10), in
289.30 response to a request under paragraph (c). With agreement of counties and in consultation

290.1 with other stakeholders, the commissioner may introduce factors and adjustments other than
 290.2 those listed in paragraphs (b) and (c), subject to federal approval.

290.3 Subd. 3. **Culturally specific program.** (a) "Culturally specific program" means a targeted
 290.4 case management program that:

290.5 (1) ensures effective, equitable, comprehensive, and respectful quality care services that
 290.6 are responsive to individuals within a specific population's values, beliefs, practices, health
 290.7 literacy, preferred language, and other communication needs;

290.8 (2) is designed to address the unique needs of individuals who share a common language
 290.9 or racial, ethnic, or social background;

290.10 (3) is governed with significant input from individuals of the specific background that
 290.11 the program is designed to serve; and

290.12 (4) employs individuals to provide targeted case management, at least 50 percent of
 290.13 whom are of the specific background that the program is designed to serve.

290.14 (b) The culturally specific program factor in subdivision 2, paragraph (b), clause (10),
 290.15 adjusts the targeted case management rate for culturally specific programs to reflect the
 290.16 staffing and programmatic costs necessary to provide culturally specific targeted case
 290.17 management.

290.18 Sec. 25. Minnesota Statutes 2020, section 256B.0924, subdivision 6, is amended to read:

290.19 **Subd. 6. Payment for targeted case management.** (a) Medical assistance and
 290.20 MinnesotaCare payment for targeted case management shall be made on a monthly basis.
 290.21 In order to receive payment for an eligible adult, the provider must document at least one
 290.22 contact per month and not more than two consecutive months without a face-to-face contact
 290.23 with the adult or the adult's legal representative, family, primary caregiver, or other relevant
 290.24 persons identified as necessary to the development or implementation of the goals of the
 290.25 personal service plan.

290.26 (b) Payment for targeted case management provided by county staff under this subdivision
 290.27 shall be based on the monthly rate methodology under section 256B.094, subdivision 6,
 290.28 paragraph (b), calculated as one combined average rate together with adult mental health
 290.29 case management under section 256B.0625, subdivision 20, except for calendar year 2002.
 290.30 In calendar year 2002, the rate for case management under this section shall be the same as
 290.31 the rate for adult mental health case management in effect as of December 31, 2001. Billing
 290.32 and payment must identify the recipient's primary population group to allow tracking of
 290.33 revenues.

291.1 (c) Payment for targeted case management provided by county-contracted vendors shall
291.2 be based on a monthly rate ~~negotiated by the host county~~ calculated in accordance with
291.3 section 256B.076, subdivision 2. The ~~negotiated~~ rate must not exceed the rate charged by
291.4 the vendor for the same service to other payers. If the service is provided by a team of
291.5 contracted vendors, the ~~county may negotiate a team rate with a vendor who is a member~~
291.6 ~~of the team~~. The team shall determine how to distribute the rate among its members. No
291.7 reimbursement received by contracted vendors shall be returned to the county, except to
291.8 reimburse the county for advance funding provided by the county to the vendor.

291.9 (d) If the service is provided by a team that includes contracted vendors and county staff,
291.10 the costs for county staff participation on the team shall be included in the rate for
291.11 county-provided services. In this case, the contracted vendor and the county may each
291.12 receive separate payment for services provided by each entity in the same month. In order
291.13 to prevent duplication of services, the county must document, in the recipient's file, the need
291.14 for team targeted case management and a description of the different roles of the team
291.15 members.

291.16 (e) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for
291.17 targeted case management shall be provided by the recipient's county of responsibility, as
291.18 defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds
291.19 used to match other federal funds.

291.20 (f) The commissioner may suspend, reduce, or terminate reimbursement to a provider
291.21 that does not meet the reporting or other requirements of this section. The county of
291.22 responsibility, as defined in sections 256G.01 to 256G.12, is responsible for any federal
291.23 disallowances. The county may share this responsibility with its contracted vendors.

291.24 (g) The commissioner shall set aside five percent of the federal funds received under
291.25 this section for use in reimbursing the state for costs of developing and implementing this
291.26 section.

291.27 (h) Payments to counties for targeted case management expenditures under this section
291.28 shall only be made from federal earnings from services provided under this section. Payments
291.29 to contracted vendors shall include both the federal earnings and the county share.

291.30 (i) Notwithstanding section 256B.041, county payments for the cost of case management
291.31 services provided by county staff shall not be made to the commissioner of management
291.32 and budget. For the purposes of targeted case management services provided by county
291.33 staff under this section, the centralized disbursement of payments to counties under section
291.34 256B.041 consists only of federal earnings from services provided under this section.

292.1 (j) If the recipient is a resident of a nursing facility, intermediate care facility, or hospital,
292.2 and the recipient's institutional care is paid by medical assistance, payment for targeted case
292.3 management services under this subdivision is limited to the lesser of:

292.4 (1) the last 180 days of the recipient's residency in that facility; or

292.5 (2) the limits and conditions which apply to federal Medicaid funding for this service.

292.6 (k) Payment for targeted case management services under this subdivision shall not
292.7 duplicate payments made under other program authorities for the same purpose.

292.8 (l) Any growth in targeted case management services and cost increases under this
292.9 section shall be the responsibility of the counties.

292.10 Sec. 26. Minnesota Statutes 2020, section 256B.094, subdivision 6, is amended to read:

292.11 Subd. 6. **Medical assistance reimbursement of case management services.** (a) Medical
292.12 assistance reimbursement for services under this section shall be made on a monthly basis.
292.13 Payment is based on face-to-face or telephone contacts between the case manager and the
292.14 client, client's family, primary caregiver, legal representative, or other relevant person
292.15 identified as necessary to the development or implementation of the goals of the individual
292.16 service plan regarding the status of the client, the individual service plan, or the goals for
292.17 the client. These contacts must meet the minimum standards in clauses (1) and (2):

292.18 (1) there must be a face-to-face contact at least once a month except as provided in clause
292.19 (2); and

292.20 (2) for a client placed outside of the county of financial responsibility, or a client served
292.21 by tribal social services placed outside the reservation, in an excluded time facility under
292.22 section 256G.02, subdivision 6, or through the Interstate Compact for the Placement of
292.23 Children, section 260.93, and the placement in either case is more than 60 miles beyond
292.24 the county or reservation boundaries, there must be at least one contact per month and not
292.25 more than two consecutive months without a face-to-face contact.

292.26 (b) Except as provided under paragraph (c), the payment rate is established using time
292.27 study data on activities of provider service staff and reports required under sections 245.482
292.28 and 256.01, subdivision 2, paragraph (p).

292.29 (c) Payments for tribes may be made according to section 256B.0625 or other relevant
292.30 federally approved rate setting methodology for child welfare targeted case management
292.31 provided by Indian health services and facilities operated by a tribe or tribal organization.

293.1 (d) Payment for case management provided by county ~~or tribal social services~~ contracted
293.2 vendors ~~shall be based on a monthly rate negotiated by the host county or tribal social~~
293.3 ~~services~~ must be calculated in accordance with section 256B.076, subdivision 2. Payment
293.4 for case management provided by vendors who contract with a Tribe must be based on a
293.5 monthly rate negotiated by the Tribe. The ~~negotiated~~ rate must not exceed the rate charged
293.6 by the vendor for the same service to other payers. If the service is provided by a team of
293.7 contracted vendors, the ~~county or tribal social services may negotiate a team rate with a~~
293.8 ~~vendor who is a member of the team.~~ The team shall determine how to distribute the rate
293.9 among its members. No reimbursement received by contracted vendors shall be returned
293.10 to the county or tribal social services, except to reimburse the county or tribal social services
293.11 for advance funding provided by the county or tribal social services to the vendor.

293.12 (e) If the service is provided by a team that includes contracted vendors and county or
293.13 tribal social services staff, the costs for county or tribal social services staff participation in
293.14 the team shall be included in the rate for county or tribal social services provided services.
293.15 In this case, the contracted vendor and the county or tribal social services may each receive
293.16 separate payment for services provided by each entity in the same month. To prevent
293.17 duplication of services, each entity must document, in the recipient's file, the need for team
293.18 case management and a description of the roles and services of the team members.

293.19 Separate payment rates may be established for different groups of providers to maximize
293.20 reimbursement as determined by the commissioner. The payment rate will be reviewed
293.21 annually and revised periodically to be consistent with the most recent time study and other
293.22 data. Payment for services will be made upon submission of a valid claim and verification
293.23 of proper documentation described in subdivision 7. Federal administrative revenue earned
293.24 through the time study, or under paragraph (c), shall be distributed according to earnings,
293.25 to counties, reservations, or groups of counties or reservations which have the same payment
293.26 rate under this subdivision, and to the group of counties or reservations which are not
293.27 certified providers under section 256F.10. The commissioner shall modify the requirements
293.28 set out in Minnesota Rules, parts 9550.0300 to 9550.0370, as necessary to accomplish this.

293.29 Sec. 27. Minnesota Statutes 2020, section 256B.0946, subdivision 1, as amended by Laws
293.30 2021, chapter 30, article 17, section 91, is amended to read:

293.31 Subdivision 1. **Required covered service components.** (a) Subject to federal approval,
293.32 medical assistance covers medically necessary intensive treatment services when the services
293.33 are provided by a provider entity certified under and meeting the standards in this section.
293.34 The provider entity must make reasonable and good faith efforts to report individual client

294.1 outcomes to the commissioner, using instruments and protocols approved by the
294.2 commissioner.

294.3 (b) Intensive treatment services to children with mental illness residing in foster family
294.4 settings that comprise specific required service components provided in clauses (1) to ~~(5)~~
294.5 (6) are reimbursed by medical assistance when they meet the following standards:

294.6 (1) psychotherapy provided by a mental health professional or a clinical trainee;

294.7 (2) crisis planning;

294.8 (3) individual, family, and group psychoeducation services provided by a mental health
294.9 professional or a clinical trainee;

294.10 (4) clinical care consultation provided by a mental health professional or a clinical
294.11 trainee; ~~and~~

294.12 (5) individual treatment plan development as defined in Minnesota Rules, part 9505.0371,
294.13 subpart 7; and

294.14 (6) service delivery payment requirements as provided under subdivision 4.

294.15 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
294.16 whichever is later. The commissioner of human services shall notify the revisor of statutes
294.17 when federal approval is obtained.

294.18 Sec. 28. Minnesota Statutes 2020, section 256B.0946, subdivision 4, as amended by Laws
294.19 2021, chapter 30, article 17, section 95, is amended to read:

294.20 Subd. 4. **Service delivery payment requirements.** (a) To be eligible for payment under
294.21 this section, a provider must develop and practice written policies and procedures for
294.22 intensive treatment in foster care, consistent with subdivision 1, paragraph (b), and comply
294.23 with the following requirements in paragraphs (b) to ~~(n)~~ (n).

294.24 (b) Each previous and current mental health, school, and physical health treatment
294.25 provider must be contacted to request documentation of treatment and assessments that the
294.26 eligible client has received. This information must be reviewed and incorporated into the
294.27 standard diagnostic assessment and team consultation and treatment planning review process.

294.28 (c) Each client receiving treatment must be assessed for a trauma history, and the client's
294.29 treatment plan must document how the results of the assessment will be incorporated into
294.30 treatment.

295.1 (d) The level of care assessment as defined in section 245I.02, subdivision 19, and
295.2 functional assessment as defined in section 245I.02, subdivision 17, must be updated at
295.3 least every 90 days or prior to discharge from the service, whichever comes first.

295.4 (e) Each client receiving treatment services must have an individual treatment plan that
295.5 is reviewed, evaluated, and approved every 90 days using the team consultation and treatment
295.6 planning process.

295.7 (f) Clinical care consultation must be provided in accordance with the client's individual
295.8 treatment plan.

295.9 (g) Each client must have a crisis plan within ten days of initiating services and must
295.10 have access to clinical phone support 24 hours per day, seven days per week, during the
295.11 course of treatment. The crisis plan must demonstrate coordination with the local or regional
295.12 mobile crisis intervention team.

295.13 (h) Services must be delivered and documented at least three days per week, equaling
295.14 at least six hours of treatment per week, ~~unless reduced units of service are specified on the~~
295.15 ~~treatment plan.~~ If the mental health professional, client, and family agree, service units may
295.16 be temporarily reduced for a period of no more than 60 days in order to meet the needs of
295.17 the client and family, or as part of transition or on a discharge plan to another service or
295.18 level of care. The reasons for service reduction must be identified, documented, and included
295.19 in the treatment plan. Billing and payment are prohibited for days on which no services are
295.20 delivered and documented.

295.21 (i) Location of service delivery must be in the client's home, day care setting, school, or
295.22 other community-based setting that is specified on the client's individualized treatment plan.

295.23 (j) Treatment must be developmentally and culturally appropriate for the client.

295.24 (k) Services must be delivered in continual collaboration and consultation with the
295.25 client's medical providers and, in particular, with prescribers of psychotropic medications,
295.26 including those prescribed on an off-label basis. Members of the service team must be aware
295.27 of the medication regimen and potential side effects.

295.28 (l) Parents, siblings, foster parents, and members of the child's permanency plan must
295.29 be involved in treatment and service delivery unless otherwise noted in the treatment plan.

295.30 (m) Transition planning for the child must be conducted starting with the first treatment
295.31 plan and must be addressed throughout treatment to support the child's permanency plan
295.32 and postdischarge mental health service needs.

296.1 (n) In order for a provider to receive the daily per-client encounter rate, at least one of
296.2 the services listed in subdivision 1, paragraph (b), clauses (1) to (3), must be provided. The
296.3 services listed in subdivision 1, paragraph (b), clauses (4) and (5), may be included as part
296.4 of the daily per-client encounter rate.

296.5 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
296.6 whichever is later. The commissioner of human services shall notify the revisor of statutes
296.7 when federal approval is obtained.

296.8 Sec. 29. Minnesota Statutes 2020, section 256B.0947, subdivision 2, as amended by Laws
296.9 2021, chapter 30, article 17, section 98, is amended to read:

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

296.12 (a) "Intensive nonresidential rehabilitative mental health services" means child
296.13 rehabilitative mental health services as defined in section 256B.0943, except that these
296.14 services are provided by a multidisciplinary staff using a total team approach consistent
296.15 with assertive community treatment, as adapted for youth, and are directed to recipients
296.16 who are eight years of age or older and under 26 years of age who require intensive services
296.17 to prevent admission to an inpatient psychiatric hospital or placement in a residential
296.18 treatment facility or who require intensive services to step down from inpatient or residential
296.19 care to community-based care.

296.20 (b) "Co-occurring mental illness and substance use disorder" means a dual diagnosis of
296.21 at least one form of mental illness and at least one substance use disorder. Substance use
296.22 disorders include alcohol or drug abuse or dependence, excluding nicotine use.

296.23 (c) "Standard diagnostic assessment" means the assessment described in section 245I.10,
296.24 subdivision 6.

296.25 (d) "Medication education services" means services provided individually or in groups,
296.26 which focus on:

296.27 (1) educating the client and client's family or significant nonfamilial supporters about
296.28 mental illness and symptoms;

296.29 (2) the role and effects of medications in treating symptoms of mental illness; and

296.30 (3) the side effects of medications.

297.1 Medication education is coordinated with medication management services and does not
 297.2 duplicate it. Medication education services are provided by physicians, pharmacists, or
 297.3 registered nurses with certification in psychiatric and mental health care.

297.4 (e) "Mental health professional" means a staff person who is qualified according to
 297.5 section 245I.04, subdivision 2.

297.6 (f) "Provider agency" means a for-profit or nonprofit organization established to
 297.7 administer an assertive community treatment for youth team.

297.8 (g) "Substance use disorders" means one or more of the disorders defined in the diagnostic
 297.9 and statistical manual of mental disorders, current edition.

297.10 (h) "Transition services" means:

297.11 (1) activities, materials, consultation, and coordination that ensures continuity of the
 297.12 client's care in advance of and in preparation for the client's move from one stage of care
 297.13 or life to another by maintaining contact with the client and assisting the client to establish
 297.14 provider relationships;

297.15 (2) providing the client with knowledge and skills needed posttransition;

297.16 (3) establishing communication between sending and receiving entities;

297.17 (4) supporting a client's request for service authorization and enrollment; and

297.18 (5) establishing and enforcing procedures and schedules.

297.19 A youth's transition from the children's mental health system and services to the adult
 297.20 mental health system and services and return to the client's home and entry or re-entry into
 297.21 community-based mental health services following discharge from an out-of-home placement
 297.22 or inpatient hospital stay.

297.23 (i) "Treatment team" means all staff who provide services to recipients under this section.

297.24 (j) "Family peer specialist" means a staff person who is qualified under section
 297.25 256B.0616.

297.26 Sec. 30. Minnesota Statutes 2020, section 256B.0947, subdivision 3, as amended by Laws
 297.27 2021, chapter 30, article 17, section 99, is amended to read:

297.28 Subd. 3. **Client eligibility.** An eligible recipient is an individual who:

297.29 (1) ~~is age 16, 17, 18, 19, or 20~~ eight years of age or older and under 26 years of age; and

298.1 (2) is diagnosed with a serious mental illness or co-occurring mental illness and substance
298.2 use disorder, for which intensive nonresidential rehabilitative mental health services are
298.3 needed;

298.4 (3) has received a level of care assessment as defined in section 245I.02, subdivision
298.5 19, that indicates a need for intensive integrated intervention without 24-hour medical
298.6 monitoring and a need for extensive collaboration among multiple providers;

298.7 (4) has received a functional assessment as defined in section 245I.02, subdivision 17,
298.8 that indicates functional impairment and a history of difficulty in functioning safely and
298.9 successfully in the community, school, home, or job; or who is likely to need services from
298.10 the adult mental health system ~~within the next two years~~ during adulthood; and

298.11 (5) has had a recent standard diagnostic assessment that documents that intensive
298.12 nonresidential rehabilitative mental health services are medically necessary to ameliorate
298.13 identified symptoms and functional impairments and to achieve individual transition goals.

298.14 Sec. 31. Minnesota Statutes 2020, section 256B.0947, subdivision 5, as amended by Laws
298.15 2021, chapter 30, article 17, section 101, is amended to read:

298.16 Subd. 5. **Standards for intensive nonresidential rehabilitative providers.** (a) Services
298.17 must meet the standards in this section and chapter 245I as required in section 245I.011,
298.18 subdivision 5.

298.19 (b) The treatment team must have specialized training in providing services to the specific
298.20 age group of youth that the team serves. An individual treatment team must serve youth
298.21 who are: (1) at least eight years of age or older and under 16 years of age, or (2) at least 14
298.22 years of age or older and under 26 years of age.

298.23 ~~(b)~~ (c) The treatment team for intensive nonresidential rehabilitative mental health
298.24 services comprises both permanently employed core team members and client-specific team
298.25 members as follows:

298.26 (1) Based on professional qualifications and client needs, clinically qualified core team
298.27 members are assigned on a rotating basis as the client's lead worker to coordinate a client's
298.28 care. The core team must comprise at least four full-time equivalent direct care staff and
298.29 must minimally include:

298.30 (i) a mental health professional who serves as team leader to provide administrative
298.31 direction and treatment supervision to the team;

299.1 (ii) an advanced-practice registered nurse with certification in psychiatric or mental
299.2 health care or a board-certified child and adolescent psychiatrist, either of which must be
299.3 credentialed to prescribe medications;

299.4 (iii) a licensed alcohol and drug counselor who is also trained in mental health
299.5 interventions; and

299.6 (iv) a mental health certified peer specialist who is qualified according to section 245I.04,
299.7 subdivision 10, and is also a former children's mental health consumer.

299.8 (2) The core team may also include any of the following:

299.9 (i) additional mental health professionals;

299.10 (ii) a vocational specialist;

299.11 (iii) an educational specialist with knowledge and experience working with youth
299.12 regarding special education requirements and goals, special education plans, and coordination
299.13 of educational activities with health care activities;

299.14 (iv) a child and adolescent psychiatrist who may be retained on a consultant basis;

299.15 (v) a clinical trainee qualified according to section 245I.04, subdivision 6;

299.16 (vi) a mental health practitioner qualified according to section 245I.04, subdivision 4;

299.17 (vii) a case management service provider, as defined in section 245.4871, subdivision
299.18 4;

299.19 (viii) a housing access specialist; and

299.20 (ix) a family peer specialist as defined in subdivision 2, paragraph (m).

299.21 (3) A treatment team may include, in addition to those in clause (1) or (2), ad hoc
299.22 members not employed by the team who consult on a specific client and who must accept
299.23 overall clinical direction from the treatment team for the duration of the client's placement
299.24 with the treatment team and must be paid by the provider agency at the rate for a typical
299.25 session by that provider with that client or at a rate negotiated with the client-specific
299.26 member. Client-specific treatment team members may include:

299.27 (i) the mental health professional treating the client prior to placement with the treatment
299.28 team;

299.29 (ii) the client's current substance use counselor, if applicable;

299.30 (iii) a lead member of the client's individualized education program team or school-based
299.31 mental health provider, if applicable;

300.1 (iv) a representative from the client's health care home or primary care clinic, as needed
300.2 to ensure integration of medical and behavioral health care;

300.3 (v) the client's probation officer or other juvenile justice representative, if applicable;
300.4 and

300.5 (vi) the client's current vocational or employment counselor, if applicable.

300.6 ~~(e)~~ (d) The treatment supervisor shall be an active member of the treatment team and
300.7 shall function as a practicing clinician at least on a part-time basis. The treatment team shall
300.8 meet with the treatment supervisor at least weekly to discuss recipients' progress and make
300.9 rapid adjustments to meet recipients' needs. The team meeting must include client-specific
300.10 case reviews and general treatment discussions among team members. Client-specific case
300.11 reviews and planning must be documented in the individual client's treatment record.

300.12 ~~(d)~~ (e) The staffing ratio must not exceed ten clients to one full-time equivalent treatment
300.13 team position.

300.14 ~~(e)~~ (f) The treatment team shall serve no more than 80 clients at any one time. Should
300.15 local demand exceed the team's capacity, an additional team must be established rather than
300.16 exceed this limit.

300.17 ~~(f)~~ (g) Nonclinical staff shall have prompt access in person or by telephone to a mental
300.18 health practitioner, clinical trainee, or mental health professional. The provider shall have
300.19 the capacity to promptly and appropriately respond to emergent needs and make any
300.20 necessary staffing adjustments to ensure the health and safety of clients.

300.21 ~~(g)~~ (h) The intensive nonresidential rehabilitative mental health services provider shall
300.22 participate in evaluation of the assertive community treatment for youth (Youth ACT) model
300.23 as conducted by the commissioner, including the collection and reporting of data and the
300.24 reporting of performance measures as specified by contract with the commissioner.

300.25 ~~(h)~~ (i) A regional treatment team may serve multiple counties.

300.26 Sec. 32. **DIRECTION TO THE COMMISSIONER; RATE RECOMMENDATIONS**
300.27 **FOR OPIOID TREATMENT PROGRAMS.**

300.28 The commissioner of human services shall evaluate the rate structure for opioid treatment
300.29 programs licensed under Minnesota Statutes, section 245G.22, and report recommendations,
300.30 including a revised rate structure and proposed draft legislation, to the chairs and ranking
300.31 minority members of the legislative committees with jurisdiction over human services policy
300.32 and finance by December 1, 2021.

301.1 Sec. 33. **DIRECTION TO THE COMMISSIONER; ADULT MENTAL HEALTH**
301.2 **INITIATIVES REFORM.**

301.3 By February 1, 2022, and prior to the implementation of a new funding formula, the
301.4 commissioner of human services must provide a report on the funding formula to reform
301.5 adult mental health initiatives to the chairs and ranking minority members of the legislative
301.6 committees with jurisdiction over health and human services finance and policy. In
301.7 developing the funding formula, the commissioner must consult with stakeholders, including
301.8 adult mental health initiatives, counties, Tribal nations, adult mental health providers, and
301.9 individuals with lived experiences. The report must include background information, the
301.10 underlying rationale and methodology for the new formula, and stakeholder feedback.

301.11 Sec. 34. **DIRECTION TO THE COMMISSIONER; CHILDREN'S MENTAL**
301.12 **HEALTH RESIDENTIAL TREATMENT WORK GROUP.**

301.13 The commissioner of human services, in consultation with counties, children's mental
301.14 health residential providers, and children's mental health advocates, must organize a work
301.15 group and develop recommendations on how to efficiently and effectively fund room and
301.16 board costs for children's mental health residential treatment under the children's mental
301.17 health act. The work group may also provide recommendations on how to address systemic
301.18 barriers in transitioning children into the community and community-based treatment options.
301.19 The commissioner shall submit the recommendations to the chairs and ranking minority
301.20 members of the legislative committees with jurisdiction over health and human services
301.21 policy and finance by February 15, 2022.

301.22 Sec. 35. **FIRST EPISODE OF PSYCHOSIS GRANT PROGRAM; AUTHORIZED**
301.23 **USES OF GRANT FUNDS.**

301.24 (a) Grant funds awarded by the commissioner of human services pursuant to Minnesota
301.25 Statutes, section 245.4889, subdivision 1, paragraph (b), clause (15), must be used to:

301.26 (1) provide intensive treatment and support for adolescents and adults experiencing or
301.27 at risk of experiencing a first psychotic episode. Intensive treatment and support includes
301.28 medication management, psychoeducation for an individual and an individual's family, case
301.29 management, employment support, education support, cognitive behavioral approaches,
301.30 social skills training, peer support, crisis planning, and stress management. Projects must
301.31 use all available funding streams;

302.1 (2) conduct outreach and provide training and guidance to mental health and health care
 302.2 professionals, including postsecondary health clinics, on early psychosis symptoms, screening
 302.3 tools, and best practices; and

302.4 (3) ensure access for individuals to first psychotic episode services under this section,
 302.5 including ensuring access to first psychotic episode services for individuals who live in
 302.6 rural areas.

302.7 (b) Grant funds may also be used to pay for housing or travel expenses or to address
 302.8 other barriers preventing individuals and their families from participating in first psychotic
 302.9 episode services.

302.10 **Sec. 36. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; MENTAL**
 302.11 **HEALTH GRANT PROGRAMS STATUTE REVISION.**

302.12 The commissioner of human services, in coordination with the Office of Senate Counsel,
 302.13 Research, and Fiscal Analysis, the Office of the House Research Department, and the revisor
 302.14 of statutes, shall prepare legislation for the 2022 legislative session to enact as statutes the
 302.15 grant programs authorized and funded under Minnesota Statutes, section 245.4661,
 302.16 subdivision 9. The draft statutes shall at least include the eligibility criteria, target populations,
 302.17 authorized uses of grant funds, and outcome measures for each grant. The commissioner
 302.18 shall provide a courtesy copy of the proposed legislation to the chairs and ranking minority
 302.19 members of the legislative committees with jurisdiction over mental health grants.

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

302.21 **Sec. 37. DIRECTION TO THE COMMISSIONER; SOBER HOUSING PROGRAM**
 302.22 **RECOMMENDATIONS.**

302.23 (a) The commissioner of human services, in consultation with stakeholders, must develop
 302.24 recommendations on:

302.25 (1) increasing access to sober housing programs;

302.26 (2) promoting person-centered practices and cultural responsiveness in sober housing
 302.27 programs;

302.28 (3) potential oversight of sober housing programs; and

302.29 (4) providing consumer protections for individuals in sober housing programs with
 302.30 substance use disorders and individuals with co-occurring mental illnesses.

303.1 (b) Stakeholders include but are not limited to the Minnesota Association of Sober
 303.2 Homes; the Minnesota Association of Resources for Recovery and Chemical Health;
 303.3 Minnesota Recovery Connection; NAMI Minnesota; the National Alliance of Recovery
 303.4 Residencies (NARR); Oxford Houses, Inc.; sober housing programs based in Minnesota
 303.5 that are not members of the Minnesota Association of Sober Homes; a member of Alcoholics
 303.6 Anonymous; and residents and former residents of sober housing programs based in
 303.7 Minnesota. Stakeholders must equitably represent geographic areas of the state and must
 303.8 include individuals in recovery and providers representing Black, Indigenous, people of
 303.9 color, or immigrant communities.

303.10 (c) The commissioner must complete and submit a report on the recommendations in
 303.11 this section to the chairs and ranking minority members of the legislative committees with
 303.12 jurisdiction over health and human services policy and finance on or before September 1,
 303.13 2022.

303.14 **Sec. 38. DIRECTION TO THE COMMISSIONER; SUBSTANCE USE DISORDER**
 303.15 **TREATMENT PAPERWORK REDUCTION.**

303.16 (a) The commissioner of human services, in consultation with counties, tribes, managed
 303.17 care organizations, substance use disorder treatment professional associations, and other
 303.18 relevant stakeholders, shall develop, assess, and recommend systems improvements to
 303.19 minimize regulatory paperwork and improve systems for substance use disorder programs
 303.20 licensed under Minnesota Statutes, chapter 245A, and regulated under Minnesota Statutes,
 303.21 chapters 245F and 245G, and Minnesota Rules, chapters 2960 and 9530. The commissioner
 303.22 of human services shall make available any resources needed from other divisions within
 303.23 the department to implement systems improvements.

303.24 (b) The commissioner of health shall make available needed information and resources
 303.25 from the Division of Health Policy.

303.26 (c) The Office of MN.IT Services shall provide advance consultation and implementation
 303.27 of the changes needed in data systems.

303.28 (d) The commissioner of human services shall contract with a vendor that has experience
 303.29 with developing statewide system changes for multiple states at the payer and provider
 303.30 levels. If the commissioner, after exercising reasonable diligence, is unable to secure a
 303.31 vendor with the requisite qualifications, the commissioner may select the best qualified
 303.32 vendor available. When developing recommendations, the commissioner shall consider
 303.33 input from all stakeholders. The commissioner's recommendations shall maximize benefits
 303.34 for clients and utility for providers, regulatory agencies, and payers.

304.1 (e) The commissioner of human services and the contracted vendor shall follow the
304.2 recommendations from the report issued in response to Laws 2019, First Special Session
304.3 chapter 9, article 6, section 76.

304.4 (f) By December 15, 2022, the commissioner of human services shall take steps to
304.5 implement paperwork reductions and systems improvements within the commissioner's
304.6 authority and submit to the chairs and ranking minority members of the legislative committees
304.7 with jurisdiction over health and human services a report that includes recommendations
304.8 for changes in statutes that would further enhance systems improvements to reduce
304.9 paperwork. The report shall include a summary of the approaches developed and assessed
304.10 by the commissioner of human services and stakeholders and the results of any assessments
304.11 conducted.

304.12 Sec. 39. **DIRECTION TO THE COMMISSIONER; TRIBAL OVERPAYMENT**
304.13 **PROTOCOLS.**

304.14 The commissioner of human services, in consultation with Tribal nations, shall develop
304.15 protocols that must be used to address and resolve any future overpayment involving any
304.16 Tribal nation in Minnesota.

304.17 Sec. 40. **DIRECTION TO THE COMMISSIONER; CULTURALLY AND**
304.18 **LINGUISTICALLY APPROPRIATE SERVICES.**

304.19 The commissioner of human services, in consultation with substance use disorder
304.20 treatment providers, lead agencies, and individuals who receive substance use disorder
304.21 treatment services, shall develop a statewide implementation and transition plan for culturally
304.22 and linguistically appropriate services (CLAS) national standards, including technical
304.23 assistance for providers to transition to CLAS standards and to improve disparate treatment
304.24 outcomes. The commissioner must consult with individuals who are Black, indigenous,
304.25 people of color, and linguistically diverse in the development of the implementation and
304.26 transition plans under this section.

304.27 Sec. 41. **SUBSTANCE USE DISORDER TREATMENT PATHFINDER**
304.28 **COMPANION PILOT PROJECT.**

304.29 (a) Anoka County and an academic institution acting as a research partner, in consultation
304.30 with the North Metro Mental Health Roundtable, shall conduct a one-year pilot project
304.31 beginning September 1, 2021, to evaluate the effects on treatment outcomes of the use by
304.32 individuals in substance use disorder recovery of the telephone-based Pathfinder Companion

305.1 application, which allows individuals in recovery to connect with peers, resources, providers,
305.2 and others helping with recovery after an individual is discharged from treatment, and the
305.3 use by providers of the computer-based Pathfinder Bridge application, which allows providers
305.4 to prioritize care, connect directly with patients, and monitor long-term outcomes and
305.5 recovery effectiveness.

305.6 (b) Prior to launching the program, Anoka County must secure the participation of an
305.7 academic research institution as a research partner and the project must receive approval
305.8 from the institution's institutional review board.

305.9 (c) The pilot project must monitor and evaluate the effects on treatment outcomes of
305.10 using the Pathfinder Companion and Pathfinder Bridge applications in order to determine
305.11 whether the addition of digital recovery support services alongside traditional methods of
305.12 recovery treatment improves treatment outcomes. The participating research partner shall
305.13 design and conduct the program evaluation.

305.14 (d) Anoka County and the participating research partner, in consultation with the North
305.15 Metro Mental Health Roundtable, shall report to the commissioner of human services and
305.16 the chairs and ranking minority members of the legislative committees with jurisdiction
305.17 over substance use disorder treatment by January 15, 2023, on the results of the pilot project.

305.18 **Sec. 42. FEDERAL COMMUNITY MENTAL HEALTH SERVICES BLOCK**
305.19 **GRANT ALLOCATION; SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES**
305.20 **ADMINISTRATION SPENDING PLAN.**

305.21 The commissioner of human services shall allocate \$7,511,000 in fiscal year 2022, \$0
305.22 in fiscal year 2023, \$1,000,000 in fiscal year 2024, and \$1,000,000 in fiscal year 2025 from
305.23 the community mental health services block grant amount in the federal fund for items
305.24 proposed by the commissioner to the federal Substance Abuse and Mental Health Services
305.25 Administration in the spending plan submitted on April 3, 2021, and approved on June 11,
305.26 2021. The commissioner may modify the proposed spending plan if necessary to comply
305.27 with federal requirements.

305.28 **Sec. 43. FEDERAL COMMUNITY MENTAL HEALTH SERVICES BLOCK**
305.29 **GRANT ALLOCATION; SCHOOL-LINKED BEHAVIORAL HEALTH GRANTS.**

305.30 The commissioner of human services shall allocate \$2,500,000 in fiscal year 2022,
305.31 \$2,500,000 in fiscal year 2023, \$2,500,000 in fiscal year 2024, and \$2,500,000 in fiscal
305.32 year 2025 from the community mental health services block grant amount in the federal

306.1 fund for mental health services provided through the school-linked behavioral health grant
 306.2 program under Minnesota Statutes, section 245.4901.

306.3 **Sec. 44. FEDERAL SUBSTANCE ABUSE PREVENTION AND TREATMENT**
 306.4 **BLOCK GRANT ALLOCATION; SCHOOL-LINKED BEHAVIORAL HEALTH**
 306.5 **GRANTS.**

306.6 The commissioner of human services shall allocate \$1,750,000 in fiscal year 2022,
 306.7 \$1,750,000 in fiscal year 2023, \$1,750,000 in fiscal year 2024, and \$1,750,000 in fiscal
 306.8 year 2025 from the substance abuse prevention and treatment block grant amount in the
 306.9 federal fund for substance use disorder services provided through the school-linked behavioral
 306.10 health grant program under Minnesota Statutes, section 245.4901.

306.11 **Sec. 45. FEDERAL SUBSTANCE ABUSE PREVENTION AND TREATMENT**
 306.12 **BLOCK GRANT ALLOCATION; SUBSTANCE USE DISORDER TREATMENT**
 306.13 **PATHFINDER COMPANION PILOT PROJECT.**

306.14 (a) The commissioner of human services shall allocate \$550,000 in fiscal year 2022
 306.15 from the substance abuse prevention and treatment block grant amount in the federal fund
 306.16 for a grant to Anoka County to conduct a substance use disorder treatment pathfinder
 306.17 companion pilot project. This is a onetime allocation and is available until January 15, 2023.

306.18 (b) Of the allocation in paragraph (a), \$200,000 is for licensed use of the pathfinder
 306.19 companion application for individuals participating in the pilot project, and up to \$50,000
 306.20 is for licensed use of the pathfinder bridge application for providers participating in the pilot
 306.21 project.

306.22 **Sec. 46. FEDERAL SUBSTANCE ABUSE PREVENTION AND TREATMENT**
 306.23 **BLOCK GRANT ALLOCATION; OPIATE EPIDEMIC RESPONSE GRANTS.**

306.24 (a) The commissioner of human services shall allocate \$2,700,000 in fiscal year 2022
 306.25 and \$2,700,000 in fiscal year 2023 from the substance abuse prevention and treatment block
 306.26 grant amount in the federal fund for grants to be awarded according to the recommendations
 306.27 of the Opiate Epidemic Response Advisory Council under Minnesota Statutes, section
 306.28 256.042.

306.29 (b) The commissioner shall include information on the grants awarded under this section
 306.30 in the annual report under Minnesota Statutes, section 256.042, subdivision 5, paragraph
 306.31 (a).

307.1 **Sec. 47. FEDERAL SUBSTANCE ABUSE PREVENTION AND TREATMENT**
 307.2 **BLOCK GRANT ALLOCATION; SUBSTANCE ABUSE AND MENTAL HEALTH**
 307.3 **SERVICES ADMINISTRATION SPENDING PLAN.**

307.4 The commissioner of human services shall allocate \$10,767,000 in fiscal year 2022 from
 307.5 the substance abuse prevention and treatment block grant amount in the federal fund for
 307.6 items proposed by the commissioner to the federal Substance Abuse and Mental Health
 307.7 Services Administration in the spending plan submitted on April 3, 2021, and approved on
 307.8 June 11, 2021. The commissioner may modify the proposed spending plan if necessary to
 307.9 comply with federal requirements.

307.10 **Sec. 48. OPIATE EPIDEMIC RESPONSE ADVISORY COUNCIL; INITIAL**
 307.11 **MEMBERSHIP TERMS.**

307.12 Notwithstanding Minnesota Statutes, section 256.042, subdivision 2, paragraph (c), the
 307.13 initial term for members of the Opiate Epidemic Response Advisory Council established
 307.14 under Minnesota Statutes, section 256.042, identified in Minnesota Statutes, section 256.042,
 307.15 subdivision 2, paragraph (a), clauses (1), (3), (5), (7), (9), (11), (13), (15), and (17), ends
 307.16 September 30, 2022. The initial term for members identified under Minnesota Statutes,
 307.17 section 256.042, subdivision 2, paragraph (a), clauses (2), (4), (6), (8), (10), (12), (14), and
 307.18 (16), ends September 30, 2023.

307.19 **Sec. 49. REPEALER.**

307.20 (a) Minnesota Statutes 2020, section 256B.0596, is repealed.

307.21 (b) Minnesota Statutes 2020, section 245.4871, subdivision 32a, is repealed.

307.22 **EFFECTIVE DATE.** Paragraph (b) is effective September 30, 2021.

307.23 **ARTICLE 12**
 307.24 **DIRECT CARE AND TREATMENT**

307.25 Section 1. Minnesota Statutes 2020, section 246.54, subdivision 1b, is amended to read:

307.26 **Subd. 1b. Community behavioral health hospitals.** A county's payment of the cost of
 307.27 care provided at state-operated community-based behavioral health hospitals for adults and
 307.28 children shall be according to the following schedule:

307.29 (1) 100 percent for each day during the stay, including the day of admission, when the
 307.30 facility determines that it is clinically appropriate for the client to be discharged; and

308.1 (2) the county shall not be entitled to reimbursement from the client, the client's estate,
308.2 or from the client's relatives, except as provided in section 246.53.

308.3 **Sec. 2. DIRECTION TO COMMISSIONER; SAFETY NET SERVICES.**

308.4 (a) The commissioner must assess state-operated direct care and treatment services to
308.5 identify the extent to which the services function as safety net services and to make
308.6 recommendations that:

308.7 (1) enhance the continuum of services;

308.8 (2) improve access to services that support people with disabilities, older adults, and
308.9 people with behavioral health conditions who are living in their own homes, family homes,
308.10 and community-based settings;

308.11 (3) identify the state's role and community's role in maintaining the capacity to serve
308.12 people based on the availability of existing services; and

308.13 (4) provide an assessment and recommendations that identify new care delivery models
308.14 addressing community needs and the needs of people served by state facilities such as:

308.15 (i) urgent emergency settings;

308.16 (ii) facilities that provide a higher level of care to meet complex needs, but do not require
308.17 commitment or state safety net services;

308.18 (iii) programs that provide complex services, but require wrap-around services or specific
308.19 resources for people to reside at home or in community settings; and

308.20 (iv) programs providing care to meet people's needs in traditional community settings.

308.21 (b) The assessment and recommendations under paragraph (a), clause (4), must identify
308.22 the resources necessary to implement identified care delivery models, including but not
308.23 limited to funding, housing, resources, wrap-around staffing, compensation, and workforce
308.24 development, and how the care delivery model will respond to patient needs based on
308.25 specific criteria and minimize the gaps in service that may occur between acute care and
308.26 routine care. The commissioner must seek input from stakeholders in a manner that balances
308.27 input from advocacy and consumer-focused organizations and people who use services.

308.28 (c) The commissioner must submit a report to the chairs and ranking minority members
308.29 of the legislative committees with jurisdiction over health and human services policy and
308.30 finance by October 15, 2023, on recommendations for crisis respite, caregiver respite for
308.31 older adults, crisis stabilization, and community residential short- and long-term stay options.
308.32 The report must identify sustainable rate reimbursement methodologies for recommended

309.1 modifications to safety net services. The report must include fiscal estimates and proposed
 309.2 legislation necessary to enact the report's recommendations.

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

309.4 **ARTICLE 13**

309.5 **DISABILITY SERVICES AND CONTINUING CARE FOR OLDER ADULTS**

309.6 Section 1. Minnesota Statutes 2020, section 144.0724, subdivision 4, is amended to read:

309.7 Subd. 4. **Resident assessment schedule.** (a) A facility must conduct and electronically
 309.8 submit to the ~~commissioner of health~~ federal database MDS assessments that conform with
 309.9 the assessment schedule defined by ~~Code of Federal Regulations, title 42, section 483.20,~~
 309.10 ~~and published by the United States Department of Health and Human Services, Centers for~~
 309.11 ~~Medicare and Medicaid Services, in the Long Term Care Facility Resident Assessment~~
 309.12 ~~Instrument User's Manual, version 3.0, and subsequent updates when~~ or its successor issued
 309.13 by the Centers for Medicare and Medicaid Services. The commissioner of health may
 309.14 substitute successor manuals or question and answer documents published by the United
 309.15 States Department of Health and Human Services, Centers for Medicare and Medicaid
 309.16 Services, to replace or supplement the current version of the manual or document.

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

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

309.21 (2) an annual comprehensive assessment, which must have an ~~assessment reference date~~
 309.22 ~~(ARD)~~ ARD within 92 days of ~~the~~ a previous quarterly review assessment and the or a
 309.23 previous comprehensive assessment, which must occur at least once every 366 days;

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

309.30 (4) ~~all~~ a quarterly assessments review assessment must have an ~~assessment reference~~
 309.31 ~~date (ARD)~~ ARD within 92 days of the ARD of the previous quarterly review assessment
 309.32 or a previous comprehensive assessment;

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

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

310.5 (7) a required significant change in status assessment when:

310.6 (i) all speech, occupational, and physical therapies have ended. The ARD of this
310.7 assessment must be set on day eight after all therapy services have ended; and

310.8 (ii) isolation for an infectious disease has ended. The ARD of this assessment must be
310.9 set on day 15 after isolation has ended; and

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

310.11 (c) In addition to the assessments listed in paragraph (b), the assessments used to
310.12 determine nursing facility level of care include the following:

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

310.16 (2) a nursing facility level of care determination as provided for under section 256B.0911,
310.17 subdivision 4e, as part of a face-to-face long-term care consultation assessment completed
310.18 under section 256B.0911, by a county, tribe, or managed care organization under contract
310.19 with the Department of Human Services.

310.20 **EFFECTIVE DATE.** This section is effective July 1, 2021, and applies to all assessments
310.21 with an assessment reference date of July 1, 2021, or later.

310.22 Sec. 2. Minnesota Statutes 2020, section 144A.073, subdivision 2, is amended to read:

310.23 **Subd. 2. Request for proposals.** At the authorization by the legislature of additional
310.24 medical assistance expenditures for exceptions to the moratorium on nursing homes, the
310.25 commissioner shall publish in the State Register a request for proposals for nursing home
310.26 and certified boarding care home projects for conversion, relocation, renovation, replacement,
310.27 upgrading, or addition. The public notice of this funding and the request for proposals must
310.28 specify how the approval criteria will be prioritized by the commissioner. The notice must
310.29 describe the information that must accompany a request and state that proposals must be
310.30 submitted to the commissioner within 150 days of the date of publication. The notice must
310.31 include the amount of the legislative appropriation available for the additional costs to the
310.32 medical assistance program of projects approved under this section. If money is appropriated,

311.1 the commissioner shall initiate the application and review process described in this section
311.2 at least once each biennium. A second application and review process must occur if remaining
311.3 funds are either greater than \$300,000 or more than 50 percent of the baseline appropriation
311.4 for the biennium. Authorized funds may be awarded in full in the first review process of
311.5 the biennium. Appropriated funds not encumbered within a biennium shall carry forward
311.6 ~~to the following biennium.~~ To be considered for approval, a proposal must include the
311.7 following information:

311.8 (1) whether the request is for renovation, replacement, upgrading, conversion, addition,
311.9 or relocation;

311.10 (2) a description of the problems the project is designed to address;

311.11 (3) a description of the proposed project;

311.12 (4) an analysis of projected costs of the nursing facility proposed project, including:

311.13 (i) initial construction and remodeling costs;

311.14 (ii) site preparation costs;

311.15 (iii) equipment and technology costs;

311.16 (iv) financing costs, the current estimated long-term financing costs of the proposal,
311.17 which is to include details of any proposed funding mechanism already arranged or being
311.18 considered, including estimates of the amount and sources of money, reserves if required,
311.19 annual payments schedule, interest rates, length of term, closing costs and fees, insurance
311.20 costs, any completed marketing study or underwriting review; and

311.21 (v) estimated operating costs during the first two years after completion of the project;

311.22 (5) for proposals involving replacement of all or part of a facility, the proposed location
311.23 of the replacement facility and an estimate of the cost of addressing the problem through
311.24 renovation;

311.25 (6) for proposals involving renovation, an estimate of the cost of addressing the problem
311.26 through replacement;

311.27 (7) the proposed timetable for commencing construction and completing the project;

311.28 (8) a statement of any licensure or certification issues, such as certification survey
311.29 deficiencies;

311.30 (9) the proposed relocation plan for current residents if beds are to be closed according
311.31 to section 144A.161; and

312.1 (10) other information required by permanent rule of the commissioner of health in
312.2 accordance with subdivisions 4 and 8.

312.3 Sec. 3. Minnesota Statutes 2020, section 144A.073, is amended by adding a subdivision
312.4 to read:

312.5 Subd. 17. **Moratorium exception funding.** (a) During the biennium beginning July 1,
312.6 2021, and during each biennium thereafter, the commissioner of health may approve
312.7 moratorium exception projects under this section for which the full biennial state share of
312.8 medical assistance costs does not exceed \$4,000,000, plus any carryover of previous
312.9 appropriations for this purpose.

312.10 (b) For the purposes of this subdivision, "biennium" has the meaning given in section
312.11 16A.011, subdivision 6.

312.12 Sec. 4. Minnesota Statutes 2020, section 245A.02, is amended by adding a subdivision to
312.13 read:

312.14 Subd. 6f. **Family adult foster care home.** "Family adult foster care home" means an
312.15 adult foster care home:

312.16 (1) that is licensed by the Department of Human Services;

312.17 (2) that is the primary residence of the license holder; and

312.18 (3) in which the license holder is the primary caregiver.

312.19 Sec. 5. Minnesota Statutes 2020, section 245A.03, subdivision 7, is amended to read:

312.20 **Subd. 7. Licensing moratorium.** (a) The commissioner shall not issue an initial license
312.21 for child foster care licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, or adult
312.22 foster care licensed under Minnesota Rules, parts 9555.5105 to 9555.6265, under this chapter
312.23 for a physical location that will not be the primary residence of the license holder for the
312.24 entire period of licensure. If a family child foster care home or family adult foster care home
312.25 license is issued during this moratorium, and the license holder changes the license holder's
312.26 primary residence away from the physical location of the foster care license, the
312.27 commissioner shall revoke the license according to section 245A.07. The commissioner
312.28 shall not issue an initial license for a community residential setting licensed under chapter
312.29 245D. When approving an exception under this paragraph, the commissioner shall consider
312.30 the resource need determination process in paragraph (h), the availability of foster care
312.31 licensed beds in the geographic area in which the licensee seeks to operate, the results of a

313.1 person's choices during their annual assessment and service plan review, and the
313.2 recommendation of the local county board. The determination by the commissioner is final
313.3 and not subject to appeal. Exceptions to the moratorium include:

313.4 (1) foster care settings ~~that are required to be registered under chapter 144D~~ where at
313.5 least 80 percent of the residents are 55 years of age or older;

313.6 (2) foster care licenses replacing foster care licenses in existence on May 15, 2009, or
313.7 community residential setting licenses replacing adult foster care licenses in existence on
313.8 December 31, 2013, and determined to be needed by the commissioner under paragraph
313.9 (b);

313.10 (3) new foster care licenses or community residential setting licenses determined to be
313.11 needed by the commissioner under paragraph (b) for the closure of a nursing facility, ICF/DD,
313.12 or regional treatment center; restructuring of state-operated services that limits the capacity
313.13 of state-operated facilities; or allowing movement to the community for people who no
313.14 longer require the level of care provided in state-operated facilities as provided under section
313.15 256B.092, subdivision 13, or 256B.49, subdivision 24;

313.16 (4) new foster care licenses or community residential setting licenses determined to be
313.17 needed by the commissioner under paragraph (b) for persons requiring hospital level care;
313.18 ~~or~~

313.19 (5) new foster care licenses or community residential setting licenses for people receiving
313.20 services under chapter 245D and residing in an unlicensed setting before May 1, 2017, and
313.21 for which a license is required. This exception does not apply to people living in their own
313.22 home. For purposes of this clause, there is a presumption that a foster care or community
313.23 residential setting license is required for services provided to three or more people in a
313.24 dwelling unit when the setting is controlled by the provider. A license holder subject to this
313.25 exception may rebut the presumption that a license is required by seeking a reconsideration
313.26 of the commissioner's determination. The commissioner's disposition of a request for
313.27 reconsideration is final and not subject to appeal under chapter 14. The exception is available
313.28 until June 30, 2018. This exception is available when:

313.29 (i) the person's case manager provided the person with information about the choice of
313.30 service, service provider, and location of service, including in the person's home, to help
313.31 the person make an informed choice; and

313.32 (ii) the person's services provided in the licensed foster care or community residential
313.33 setting are less than or equal to the cost of the person's services delivered in the unlicensed
313.34 setting as determined by the lead agency; or

314.1 (6) new foster care licenses or community residential setting licenses for people receiving
314.2 customized living or 24-hour customized living services under the brain injury or community
314.3 access for disability inclusion waiver plans under section 256B.49 and residing in the
314.4 customized living setting before July 1, 2022, for which a license is required. A customized
314.5 living service provider subject to this exception may rebut the presumption that a license
314.6 is required by seeking a reconsideration of the commissioner's determination. The
314.7 commissioner's disposition of a request for reconsideration is final and not subject to appeal
314.8 under chapter 14. The exception is available until June 30, 2023. This exception is available
314.9 when:

314.10 (i) the person's customized living services are provided in a customized living service
314.11 setting serving four or fewer people under the brain injury or community access for disability
314.12 inclusion waiver plans under section 256B.49 in a single-family home operational on or
314.13 before June 30, 2021. Operational is defined in section 256B.49, subdivision 28;

314.14 (ii) the person's case manager provided the person with information about the choice of
314.15 service, service provider, and location of service, including in the person's home, to help
314.16 the person make an informed choice; and

314.17 (iii) the person's services provided in the licensed foster care or community residential
314.18 setting are less than or equal to the cost of the person's services delivered in the customized
314.19 living setting as determined by the lead agency.

314.20 (b) The commissioner shall determine the need for newly licensed foster care homes or
314.21 community residential settings as defined under this subdivision. As part of the determination,
314.22 the commissioner shall consider the availability of foster care capacity in the area in which
314.23 the licensee seeks to operate, and the recommendation of the local county board. The
314.24 determination by the commissioner must be final. A determination of need is not required
314.25 for a change in ownership at the same address.

314.26 (c) When an adult resident served by the program moves out of a foster home that is not
314.27 the primary residence of the license holder according to section 256B.49, subdivision 15,
314.28 paragraph (f), or the adult community residential setting, the county shall immediately
314.29 inform the Department of Human Services Licensing Division. The department may decrease
314.30 the statewide licensed capacity for adult foster care settings.

314.31 (d) Residential settings that would otherwise be subject to the decreased license capacity
314.32 established in paragraph (c) shall be exempt if the license holder's beds are occupied by
314.33 residents whose primary diagnosis is mental illness and the license holder is certified under
314.34 the requirements in subdivision 6a or section 245D.33.

315.1 (e) A resource need determination process, managed at the state level, using the available
315.2 reports required by section 144A.351, and other data and information shall be used to
315.3 determine where the reduced capacity determined under section 256B.493 will be
315.4 implemented. The commissioner shall consult with the stakeholders described in section
315.5 144A.351, and employ a variety of methods to improve the state's capacity to meet the
315.6 informed decisions of those people who want to move out of corporate foster care or
315.7 community residential settings, long-term service needs within budgetary limits, including
315.8 seeking proposals from service providers or lead agencies to change service type, capacity,
315.9 or location to improve services, increase the independence of residents, and better meet
315.10 needs identified by the long-term services and supports reports and statewide data and
315.11 information.

315.12 (f) At the time of application and reapplication for licensure, the applicant and the license
315.13 holder that are subject to the moratorium or an exclusion established in paragraph (a) are
315.14 required to inform the commissioner whether the physical location where the foster care
315.15 will be provided is or will be the primary residence of the license holder for the entire period
315.16 of licensure. If the primary residence of the applicant or license holder changes, the applicant
315.17 or license holder must notify the commissioner immediately. The commissioner shall print
315.18 on the foster care license certificate whether or not the physical location is the primary
315.19 residence of the license holder.

315.20 (g) License holders of foster care homes identified under paragraph (f) that are not the
315.21 primary residence of the license holder and that also provide services in the foster care home
315.22 that are covered by a federally approved home and community-based services waiver, as
315.23 authorized under chapter 256S or section 256B.092 or 256B.49, must inform the human
315.24 services licensing division that the license holder provides or intends to provide these
315.25 waiver-funded services.

315.26 (h) The commissioner may adjust capacity to address needs identified in section
315.27 144A.351. Under this authority, the commissioner may approve new licensed settings or
315.28 delicense existing settings. Delicensing of settings will be accomplished through a process
315.29 identified in section 256B.493. Annually, by August 1, the commissioner shall provide
315.30 information and data on capacity of licensed long-term services and supports, actions taken
315.31 under the subdivision to manage statewide long-term services and supports resources, and
315.32 any recommendations for change to the legislative committees with jurisdiction over the
315.33 health and human services budget.

315.34 (i) The commissioner must notify a license holder when its corporate foster care or
315.35 community residential setting licensed beds are reduced under this section. The notice of

316.1 reduction of licensed beds must be in writing and delivered to the license holder by certified
316.2 mail or personal service. The notice must state why the licensed beds are reduced and must
316.3 inform the license holder of its right to request reconsideration by the commissioner. The
316.4 license holder's request for reconsideration must be in writing. If mailed, the request for
316.5 reconsideration must be postmarked and sent to the commissioner within 20 calendar days
316.6 after the license holder's receipt of the notice of reduction of licensed beds. If a request for
316.7 reconsideration is made by personal service, it must be received by the commissioner within
316.8 20 calendar days after the license holder's receipt of the notice of reduction of licensed beds.

316.9 (j) The commissioner shall not issue an initial license for children's residential treatment
316.10 services licensed under Minnesota Rules, parts 2960.0580 to 2960.0700, under this chapter
316.11 for a program that Centers for Medicare and Medicaid Services would consider an institution
316.12 for mental diseases. Facilities that serve only private pay clients are exempt from the
316.13 moratorium described in this paragraph. The commissioner has the authority to manage
316.14 existing statewide capacity for children's residential treatment services subject to the
316.15 moratorium under this paragraph and may issue an initial license for such facilities if the
316.16 initial license would not increase the statewide capacity for children's residential treatment
316.17 services subject to the moratorium under this paragraph.

316.18 **EFFECTIVE DATE.** This section is effective August 1, 2021, except for paragraph
316.19 (a), clause (6), which is effective July 1, 2022.

316.20 Sec. 6. Minnesota Statutes 2020, section 256.476, subdivision 11, is amended to read:

316.21 Subd. 11. **Consumer support grant program after July 1, 2001.** Effective July 1,
316.22 2001, the commissioner shall allocate consumer support grant resources to serve additional
316.23 individuals based on a review of Medicaid authorization and payment information of persons
316.24 eligible for a consumer support grant from the most recent fiscal year. The commissioner
316.25 shall use the following methodology to calculate maximum allowable monthly consumer
316.26 support grant levels:

316.27 (1) For individuals whose program of origination is medical assistance home care under
316.28 sections 256B.0651, 256B.0653, and 256B.0654, the maximum allowable monthly grant
316.29 levels are calculated by:

316.30 (i) determining the service authorization for each individual based on the individual's
316.31 home care assessment;

316.32 (ii) calculating the overall ratio of actual payments to service authorizations by program;

317.1 (iii) applying the overall ratio to 50 percent of the service authorization level of each
317.2 home care rating; and

317.3 (iv) adjusting the result for any authorized rate changes provided by the legislature.

317.4 (2) The monthly consumer support grant level for individuals who are eligible for ten
317.5 or more hours of personal care assistance services or community first services and supports
317.6 per day shall be increased by 7.5 percent of the monthly grant amount calculated under
317.7 clause (1) when the individual uses direct support services provided by a worker who has
317.8 completed training as identified in section 256B.0659, subdivision 11, paragraph (d), or
317.9 section 256B.85, subdivision 16, paragraph (e).

317.10 ~~(2)~~(3) The commissioner shall ensure the methodology is consistent with the home care
317.11 programs.

317.12 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
317.13 whichever occurs later. The commissioner of human services shall notify the revisor of
317.14 statutes when federal approval is obtained.

317.15 Sec. 7. Minnesota Statutes 2020, section 256.477, is amended to read:

317.16 **256.477 SELF-ADVOCACY GRANTS.**

317.17 **Subdivision 1. The Rick Cardenas Statewide Self-Advocacy Network.** (a) The
317.18 commissioner shall make available a grant for the purposes of establishing and maintaining
317.19 ~~a~~ the Rick Cardenas Statewide Self-Advocacy Network for persons with intellectual and
317.20 developmental disabilities. The Rick Cardenas Statewide Self-Advocacy Network shall:

317.21 (1) ensure that persons with intellectual and developmental disabilities are informed of
317.22 their rights in employment, housing, transportation, voting, government policy, and other
317.23 issues pertinent to the intellectual and developmental disability community;

317.24 (2) provide public education and awareness of the civil and human rights issues persons
317.25 with intellectual and developmental disabilities face;

317.26 (3) provide funds, technical assistance, and other resources for self-advocacy groups
317.27 across the state; ~~and~~

317.28 (4) organize systems of communications to facilitate an exchange of information between
317.29 self-advocacy groups;

317.30 (5) train and support the activities of a statewide network of peer-to-peer mentors for
317.31 persons with developmental disabilities focused on building awareness among people with
317.32 developmental disabilities of service options; assisting people with developmental disabilities

318.1 choose service options; and developing the advocacy skills of people with developmental
318.2 disabilities necessary for them to move toward full inclusion in community life, including
318.3 by developing and delivering a curriculum to support the peer-to-peer network;

318.4 (6) provide outreach activities, including statewide conferences and disability networking
318.5 opportunities, focused on self-advocacy, informed choice, and community engagement
318.6 skills; and

318.7 (7) provide an annual leadership program for persons with intellectual and developmental
318.8 disabilities.

318.9 (b) An organization receiving a grant under paragraph (a) must be an organization
318.10 governed by people with intellectual and developmental disabilities that administers a
318.11 statewide network of disability groups in order to maintain and promote self-advocacy
318.12 services and supports for persons with intellectual and developmental disabilities throughout
318.13 the state.

318.14 (c) An organization receiving a grant under this subdivision may use a portion of grant
318.15 revenue determined by the commissioner for administration and general operating costs.

318.16 Subd. 2. Subgrants for outreach to persons in institutional settings. The commissioner
318.17 shall make available to an organization described under subdivision 1 a grant for subgrants
318.18 to organizations in Minnesota to conduct outreach to persons working and living in
318.19 institutional settings to provide education and information about community options. Subgrant
318.20 funds must be used to deliver peer-led skill training sessions in six regions of the state to
318.21 help persons with intellectual and developmental disabilities understand community service
318.22 options related to:

318.23 (1) housing;

318.24 (2) employment;

318.25 (3) education;

318.26 (4) transportation;

318.27 (5) emerging service reform initiatives contained in the state's Olmstead plan; the
318.28 Workforce Innovation and Opportunity Act, Public Law 113-128; and federal home and
318.29 community-based services regulations; and

318.30 (6) connecting with individuals who can help persons with intellectual and developmental
318.31 disabilities make an informed choice and plan for a transition in services.

319.1 Sec. 8. [256.4772] MINNESOTA INCLUSION INITIATIVE GRANT.

319.2 Subdivision 1. Grant program established. The commissioner of human services shall
319.3 establish the Minnesota inclusion initiative grant program to encourage self-advocacy groups
319.4 of persons with intellectual and developmental disabilities to develop and organize projects
319.5 that increase the inclusion of persons with intellectual and developmental disabilities in the
319.6 community, improve community integration outcomes, educate decision-makers and the
319.7 public about persons with intellectual and developmental disabilities, including the systemic
319.8 barriers that prevent them from being included in the community, and to advocate for changes
319.9 that increase access to formal and informal supports and services necessary for greater
319.10 inclusion of persons with intellectual and developmental disabilities in the community.

319.11 Subd. 2. Administration. The commissioner of human services, as authorized by section
319.12 256.01, subdivision 2, paragraph (a), clause (6), shall issue a request for proposals to contract
319.13 with a public or private entity to (1) serve as a fiscal host for the money appropriated for
319.14 the purposes described in this section, and (2) develop guidelines, criteria, and procedures
319.15 for awarding grants. The fiscal host shall establish an advisory committee consisting of
319.16 self-advocates, nonprofit advocacy organizations, and Department of Human Services staff
319.17 to review applications and award grants under this section.

319.18 Subd. 3. Applications. (a) Entities seeking grants under this section shall apply to the
319.19 advisory committee of the fiscal host under contract with the commissioner. The grant
319.20 applicant must include a description of the project that the applicant is proposing, the amount
319.21 of money that the applicant is seeking, and a proposed budget describing how the applicant
319.22 will spend the grant money.

319.23 (b) The advisory committee may award grants to applicants only for projects that meet
319.24 the requirements of subdivision 4.

319.25 Subd. 4. Use of grant money. Projects funded by grant money must have person-centered
319.26 goals, call attention to issues that limit inclusion of persons with intellectual and
319.27 developmental disabilities, address barriers to inclusion that persons with intellectual and
319.28 developmental disabilities face in their communities, or increase the inclusion of persons
319.29 with intellectual and developmental disabilities in their communities. Applicants may
319.30 propose strategies to increase inclusion of persons with intellectual and developmental
319.31 disabilities in their communities by:

319.32 (1) decreasing barriers to workforce participation experienced by persons with intellectual
319.33 and developmental disabilities;

320.1 (2) overcoming barriers to accessible and reliable transportation options for persons with
 320.2 intellectual and developmental disabilities;

320.3 (3) identifying and addressing barriers to voting experienced by persons with intellectual
 320.4 and developmental disabilities;

320.5 (4) advocating for increased accessible housing for persons with intellectual and
 320.6 developmental disabilities;

320.7 (5) working with governmental agencies or businesses on accessibility issues under the
 320.8 Americans with Disabilities Act;

320.9 (6) increasing collaboration between self-advocacy groups and other organizations to
 320.10 effectively address systemic issues that impact persons with intellectual and developmental
 320.11 disabilities;

320.12 (7) increasing capacity for inclusion in a community; or

320.13 (8) providing public education and awareness of the civil and human rights of persons
 320.14 with intellectual and developmental disabilities.

320.15 Subd. 5. **Reports.** (a) Grant recipients shall provide the advisory committee with a report
 320.16 about the activities funded by the grant program in a format and at a time specified by the
 320.17 advisory committee. The advisory committee shall require grant recipients to include in the
 320.18 grant recipient's report at least the information necessary for the advisory committee to meet
 320.19 the advisory committee's obligation under paragraph (b).

320.20 (b) The advisory committee shall provide the commissioner with a report that describes
 320.21 all of the activities and outcomes of projects funded by the grant program in a format and
 320.22 at a time determined by the commissioner.

320.23 **EFFECTIVE DATE.** This section is effective upon federal approval of Minnesota's
 320.24 initial state spending plan as described in guidance issued by the Centers for Medicare and
 320.25 Medicaid Services for implementation of section 9817 of the federal American Rescue Plan
 320.26 Act of 2021.

320.27 Sec. 9. **[256.4776] PARENT-TO-PARENT PEER SUPPORT.**

320.28 (a) The commissioner shall make a grant to an alliance member of Parent to Parent USA
 320.29 to support the alliance member's parent-to-parent peer support program for families of
 320.30 children with any type of disability or special health care needs. An eligible alliance member
 320.31 must have an established parent-to-parent peer support program that is statewide and
 320.32 represents diverse cultures and geographic locations, that conducts outreach and provides

321.1 individualized support to any parent or guardian of a child with a disability or special health
 321.2 care need, including newly identified parents of such a child or parents experiencing
 321.3 transitions or changes in their child's care, and that implements best practices for peer-to-peer
 321.4 support, including providing support from trained parent staff and volunteer support parents
 321.5 who have received Parent to Parent USA's specialized parent-to-parent peer support training.

321.6 (b) Grant recipients must use grant money for the purposes specified in paragraph (a).

321.7 (c) For purposes of this section, "special health care needs" means disabilities, chronic
 321.8 illnesses or conditions, health-related educational or behavioral problems, or the risk of
 321.9 developing disabilities, conditions, illnesses, or problems.

321.10 (d) Grant recipients must report to the commissioner of human services annually by
 321.11 January 15 about the services and programs funded by this grant. The report must include
 321.12 measurable outcomes from the previous year, including the number of families served by
 321.13 the organization's parent-to-parent programs and the number of volunteer support parents
 321.14 trained by the organization's parent-to-parent programs.

321.15 **EFFECTIVE DATE.** This section is effective upon federal approval of Minnesota's
 321.16 initial state spending plan as described in guidance issued by the Centers for Medicare and
 321.17 Medicaid Services for implementation of section 9817 of the federal American Rescue Plan
 321.18 Act of 2021.

321.19 Sec. 10. Minnesota Statutes 2020, section 256.479, is amended to read:

321.20 **256.479 CUSTOMIZED LIVING QUALITY IMPROVEMENT GRANTS.**

321.21 (a) The commissioner of human services shall develop incentive-based grants to providers
 321.22 of customized living services under the brain injury, community access for disability
 321.23 inclusion, and elderly waivers for achieving outcomes specified in a contract. The
 321.24 commissioner may solicit proposals from providers and implement those that, on a
 321.25 competitive basis, best meet the state's policy objectives. ~~Until June 30, 2021, the~~
 321.26 ~~commissioner shall give preference to providers that serve at least 75 percent elderly waiver~~
 321.27 ~~participants.~~

321.28 (b) ~~Effective July 1, 2021, To be eligible for a grant under this section, a provider must~~
 321.29 ~~serve at least 75 waiver participants, and at least 75 percent of the clients served by the~~
 321.30 ~~provider must be waiver participants. For providers of customized living services under the~~
 321.31 ~~brain injury or community access for disability inclusion, the required 75 waiver participants~~
 321.32 ~~must reside at multiple locations each with six or more residents. The commissioner shall~~
 321.33 ~~give greater preference to those providers serving a higher percentage of waiver participants.~~

322.1 (c) The commissioner shall limit expenditures under this subdivision to the amount
322.2 appropriated for this purpose.

322.3 (d) In establishing the specified outcomes and related criteria, the commissioner shall
322.4 consider the following state policy objectives:

322.5 (1) provide more efficient, higher quality services;

322.6 (2) encourage home and community-based services providers to innovate;

322.7 (3) equip home and community-based services providers with organizational tools and
322.8 expertise to improve their quality;

322.9 (4) incentivize home and community-based services providers to invest in better services;

322.10 and

322.11 (5) disseminate successful performance improvement strategies statewide.

322.12 Sec. 11. Minnesota Statutes 2020, section 256B.0653, is amended by adding a subdivision
322.13 to read:

322.14 Subd. 8. **Payment rates for home health agency services.** The commissioner shall
322.15 annually adjust payments for home health agency services to reflect the change in the federal
322.16 Centers for Medicare and Medicaid Services Home Health Agency Market Basket. The
322.17 commissioner shall use the indices as forecasted for the midpoint of the prior rate year to
322.18 the midpoint of the current rate year.

322.19 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
322.20 whichever occurs later, for services delivered on or after January 1, 2022. The commissioner
322.21 of human services shall notify the revisor of statutes when federal approval is obtained.

322.22 Sec. 12. Minnesota Statutes 2020, section 256B.0654, is amended by adding a subdivision
322.23 to read:

322.24 Subd. 5. **Payment rates for home care nursing services.** The commissioner shall
322.25 annually adjust payments for home care nursing services to reflect the change in the federal
322.26 Centers for Medicare and Medicaid Services Home Health Agency Market Basket. The
322.27 commissioner shall use the indices as forecasted for the midpoint of the prior rate year to
322.28 the midpoint of the current rate year.

322.29 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
322.30 whichever occurs later, for services delivered on or after January 1, 2022. The commissioner
322.31 of human services shall notify the revisor of statutes when federal approval is obtained.

323.1 Sec. 13. Minnesota Statutes 2020, section 256B.0659, subdivision 11, is amended to read:

323.2 Subd. 11. **Personal care assistant; requirements.** (a) A personal care assistant must
323.3 meet the following requirements:

323.4 (1) be at least 18 years of age with the exception of persons who are 16 or 17 years of
323.5 age with these additional requirements:

323.6 (i) supervision by a qualified professional every 60 days; and

323.7 (ii) employment by only one personal care assistance provider agency responsible for
323.8 compliance with current labor laws;

323.9 (2) be employed by a personal care assistance provider agency;

323.10 (3) enroll with the department as a personal care assistant after clearing a background
323.11 study. Except as provided in subdivision 11a, before a personal care assistant provides
323.12 services, the personal care assistance provider agency must initiate a background study on
323.13 the personal care assistant under chapter 245C, and the personal care assistance provider
323.14 agency must have received a notice from the commissioner that the personal care assistant
323.15 is:

323.16 (i) not disqualified under section 245C.14; or

323.17 (ii) disqualified, but the personal care assistant has received a set aside of the
323.18 disqualification under section 245C.22;

323.19 (4) be able to effectively communicate with the recipient and personal care assistance
323.20 provider agency;

323.21 (5) be able to provide covered personal care assistance services according to the recipient's
323.22 personal care assistance care plan, respond appropriately to recipient needs, and report
323.23 changes in the recipient's condition to the supervising qualified professional, physician, or
323.24 advanced practice registered nurse;

323.25 (6) not be a consumer of personal care assistance services;

323.26 (7) maintain daily written records including, but not limited to, time sheets under
323.27 subdivision 12;

323.28 (8) effective January 1, 2010, complete standardized training as determined by the
323.29 commissioner before completing enrollment. The training must be available in languages
323.30 other than English and to those who need accommodations due to disabilities. Personal care
323.31 assistant training must include successful completion of the following training components:
323.32 basic first aid, vulnerable adult, child maltreatment, OSHA universal precautions, basic

324.1 roles and responsibilities of personal care assistants including information about assistance
324.2 with lifting and transfers for recipients, emergency preparedness, orientation to positive
324.3 behavioral practices, fraud issues, and completion of time sheets. Upon completion of the
324.4 training components, the personal care assistant must demonstrate the competency to provide
324.5 assistance to recipients;

324.6 (9) complete training and orientation on the needs of the recipient; and

324.7 (10) be limited to providing and being paid for up to 310 hours per month of personal
324.8 care assistance services regardless of the number of recipients being served or the number
324.9 of personal care assistance provider agencies enrolled with. The number of hours worked
324.10 per day shall not be disallowed by the department unless in violation of the law.

324.11 (b) A legal guardian may be a personal care assistant if the guardian is not being paid
324.12 for the guardian services and meets the criteria for personal care assistants in paragraph (a).

324.13 (c) Persons who do not qualify as a personal care assistant include parents, stepparents,
324.14 and legal guardians of minors; spouses; paid legal guardians of adults; family foster care
324.15 providers, except as otherwise allowed in section 256B.0625, subdivision 19a; and staff of
324.16 a residential setting.

324.17 (d) Personal care assistance services qualify for the enhanced rate described in subdivision
324.18 17a if the personal care assistant providing the services:

324.19 (1) provides covered services to a recipient who qualifies for ~~12~~ ten or more hours per
324.20 day of personal care assistance services; and

324.21 (2) satisfies the current requirements of Medicare for training and competency or
324.22 competency evaluation of home health aides or nursing assistants, as provided in the Code
324.23 of Federal Regulations, title 42, section 483.151 or 484.36, or alternative state-approved
324.24 training or competency requirements.

324.25 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
324.26 whichever occurs later. The commissioner shall notify the revisor of statutes when federal
324.27 approval is obtained.

324.28 Sec. 14. Minnesota Statutes 2020, section 256B.0659, subdivision 17a, is amended to
324.29 read:

324.30 Subd. 17a. **Enhanced rate.** An enhanced rate of 107.5 percent of the rate paid for
324.31 personal care assistance services shall be paid for services provided to persons who qualify
324.32 for ~~12~~ ten or more hours of personal care assistance services per day when provided by a

325.1 personal care assistant who meets the requirements of subdivision 11, paragraph (d). The
 325.2 ~~enhanced rate for personal care assistance services includes, and is not in addition to, any~~
 325.3 ~~rate adjustments implemented by the commissioner on July 1, 2019, to comply with the~~
 325.4 ~~terms of a collective bargaining agreement between the state of Minnesota and an exclusive~~
 325.5 ~~representative of individual providers under section 179A.54, that provides for wage increases~~
 325.6 ~~for individual providers who serve participants assessed to need 12 or more hours of personal~~
 325.7 ~~care assistance services per day. Any change in the eligibility criteria for the enhanced rate~~
 325.8 ~~for personal care assistance services as described in this subdivision and referenced in~~
 325.9 ~~subdivision 11, paragraph (d), does not constitute a change in a term or condition for~~
 325.10 ~~individual providers as defined in section 256B.0711, and is not subject to the state's~~
 325.11 ~~obligation to meet and negotiate under chapter 179A.~~

325.12 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
 325.13 whichever occurs later. The commissioner shall notify the revisor of statutes when federal
 325.14 approval is obtained.

325.15 Sec. 15. Minnesota Statutes 2020, section 256B.0911, subdivision 1a, is amended to read:

325.16 Subd. 1a. **Definitions.** For purposes of this section, the following definitions apply:

325.17 (a) Until additional requirements apply under paragraph (b), "long-term care consultation
 325.18 services" means:

325.19 (1) intake for and access to assistance in identifying services needed to maintain an
 325.20 individual in the most inclusive environment;

325.21 (2) providing recommendations for and referrals to cost-effective community services
 325.22 that are available to the individual;

325.23 (3) development of an individual's person-centered community support plan;

325.24 (4) providing information regarding eligibility for Minnesota health care programs;

325.25 (5) face-to-face long-term care consultation assessments, which may be completed in a
 325.26 hospital, nursing facility, intermediate care facility for persons with developmental disabilities
 325.27 (ICF/DDs), regional treatment centers, or the person's current or planned residence;

325.28 (6) determination of home and community-based waiver and other service eligibility as
 325.29 required under chapter 256S and sections 256B.0913, 256B.092, and 256B.49, including
 325.30 level of care determination for individuals who need an institutional level of care as
 325.31 determined under subdivision 4e, based on a long-term care consultation assessment and
 325.32 community support plan development, appropriate referrals to obtain necessary diagnostic

326.1 information, and including an eligibility determination for consumer-directed community
326.2 supports;

326.3 (7) providing recommendations for institutional placement when there are no
326.4 cost-effective community services available;

326.5 (8) providing access to assistance to transition people back to community settings after
326.6 institutional admission;

326.7 (9) providing information about competitive employment, with or without supports, for
326.8 school-age youth and working-age adults and referrals to the Disability Hub and Disability
326.9 Benefits 101 to ensure that an informed choice about competitive employment can be made.
326.10 For the purposes of this subdivision, "competitive employment" means work in the
326.11 competitive labor market that is performed on a full-time or part-time basis in an integrated
326.12 setting, and for which an individual is compensated at or above the minimum wage, but not
326.13 less than the customary wage and level of benefits paid by the employer for the same or
326.14 similar work performed by individuals without disabilities;

326.15 (10) providing information about independent living to ensure that an informed choice
326.16 about independent living can be made; and

326.17 (11) providing information about self-directed services and supports, including
326.18 self-directed funding options, to ensure that an informed choice about self-directed options
326.19 can be made.

326.20 (b) Upon statewide implementation of lead agency requirements in subdivisions 2b, 2c,
326.21 and 3a, "long-term care consultation services" also means:

326.22 (1) service eligibility determination for the following state plan services:

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

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

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

326.26 (2) notwithstanding provisions in Minnesota Rules, parts 9525.0004 to 9525.0024,
326.27 gaining access to:

326.28 (i) relocation targeted case management services available under section 256B.0621,
326.29 subdivision 2, clause (4);

326.30 (ii) case management services targeted to vulnerable adults or developmental disabilities
326.31 under section 256B.0924; and

327.1 (iii) case management services targeted to people with developmental disabilities under
327.2 Minnesota Rules, part 9525.0016;

327.3 (3) determination of eligibility for semi-independent living services under section
327.4 252.275; and

327.5 (4) obtaining necessary diagnostic information to determine eligibility under clauses (2)
327.6 and (3).

327.7 (c) "Long-term care options counseling" means the services provided by sections 256.01,
327.8 subdivision 24, and 256.975, subdivision 7, and also includes telephone assistance and
327.9 follow up once a long-term care consultation assessment has been completed.

327.10 (d) "Minnesota health care programs" means the medical assistance program under this
327.11 chapter and the alternative care program under section 256B.0913.

327.12 (e) "Lead agencies" means counties administering or tribes and health plans under
327.13 contract with the commissioner to administer long-term care consultation services.

327.14 (f) "Person-centered planning" is a process that includes the active participation of a
327.15 person in the planning of the person's services, including in making meaningful and informed
327.16 choices about the person's own goals, talents, and objectives, as well as making meaningful
327.17 and informed choices about the services the person receives, the settings in which the person
327.18 receives the services, and the setting in which the person lives.

327.19 (g) ~~"Informed choice" means a voluntary choice of services, settings, living arrangement,~~
327.20 ~~and work by a person from all available service and setting options based on accurate and~~
327.21 ~~complete information concerning all available service and setting options and concerning~~
327.22 ~~the person's own preferences, abilities, goals, and objectives. In order for a person to make~~
327.23 ~~an informed choice, all available options must be developed and presented to the person in~~
327.24 ~~a way the person can understand to empower the person to make fully informed choices~~
327.25 has the meaning given in section 256B.4905, subdivision 1a.

327.26 (h) "Available service and setting options" or "available options," with respect to the
327.27 home and community-based waivers under chapter 256S and sections 256B.092 and 256B.49,
327.28 means all services and settings defined under the waiver plan for which a waiver applicant
327.29 or waiver participant is eligible.

327.30 (i) "Independent living" means living in a setting that is not controlled by a provider.

328.1 Sec. 16. Minnesota Statutes 2020, section 256B.092, subdivision 4, is amended to read:

328.2 Subd. 4. **Home and community-based services for developmental disabilities.** (a)

328.3 The commissioner shall make payments to approved vendors participating in the medical
328.4 assistance program to pay costs of providing home and community-based services, including
328.5 case management service activities provided as an approved home and community-based
328.6 service, to medical assistance eligible persons with developmental disabilities who have
328.7 been screened under subdivision 7 and according to federal requirements. Federal
328.8 requirements include those services and limitations included in the federally approved
328.9 application for home and community-based services for persons with developmental
328.10 disabilities and subsequent amendments.

328.11 ~~(b) Effective July 1, 1995, contingent upon federal approval and state appropriations~~
328.12 ~~made available for this purpose, and in conjunction with Laws 1995, chapter 207, article 8,~~
328.13 ~~section 40, the commissioner of human services shall allocate resources to county agencies~~
328.14 ~~for home and community-based waived services for persons with developmental disabilities~~
328.15 ~~authorized but not receiving those services as of June 30, 1995, based upon the average~~
328.16 ~~resource need of persons with similar functional characteristics. To ensure service continuity~~
328.17 ~~for service recipients receiving home and community-based waived services for persons~~
328.18 ~~with developmental disabilities prior to July 1, 1995, the commissioner shall make available~~
328.19 ~~to the county of financial responsibility home and community-based waived services~~
328.20 ~~resources based upon fiscal year 1995 authorized levels.~~

328.21 ~~(c) Home and community-based resources for all recipients shall be managed by the~~
328.22 ~~county of financial responsibility within an allowable reimbursement average established~~
328.23 ~~for each county. Payments for home and community-based services provided to individual~~
328.24 ~~recipients shall not exceed amounts authorized by the county of financial responsibility.~~
328.25 ~~For specifically identified former residents of nursing facilities, the commissioner shall be~~
328.26 ~~responsible for authorizing payments and payment limits under the appropriate home and~~
328.27 ~~community-based service program. Payment is available under this subdivision only for~~
328.28 ~~persons who, if not provided these services, would require the level of care provided in an~~
328.29 ~~intermediate care facility for persons with developmental disabilities.~~

328.30 ~~(d)~~ (b) The commissioner shall comply with the requirements in the federally approved
328.31 transition plan for the home and community-based services waivers for the elderly authorized
328.32 under this section.

329.1 **EFFECTIVE DATE.** This section is effective July 1, 2024, or upon federal approval,
329.2 whichever is later. The commissioner of human services shall notify the revisor of statutes
329.3 when federal approval is obtained.

329.4 Sec. 17. Minnesota Statutes 2020, section 256B.092, subdivision 5, is amended to read:

329.5 Subd. 5. **Federal waivers.** (a) The commissioner shall apply for any federal waivers
329.6 necessary to secure, to the extent allowed by law, federal financial participation under United
329.7 States Code, title 42, sections 1396 et seq., as amended, for the provision of services to
329.8 persons who, in the absence of the services, would need the level of care provided in a
329.9 regional treatment center or a community intermediate care facility for persons with
329.10 developmental disabilities. The commissioner may seek amendments to the waivers or apply
329.11 for additional waivers under United States Code, title 42, sections 1396 et seq., as amended,
329.12 to contain costs. The commissioner shall ensure that payment for the cost of providing home
329.13 and community-based alternative services under the federal waiver plan shall not exceed
329.14 the cost of intermediate care services including day training and habilitation services that
329.15 would have been provided without the waived services.

329.16 The commissioner shall seek an amendment to the 1915c home and community-based
329.17 waiver to allow properly licensed adult foster care homes to provide residential services to
329.18 up to five individuals with developmental disabilities. If the amendment to the waiver is
329.19 approved, adult foster care providers that can accommodate five individuals shall increase
329.20 their capacity to five beds, provided the providers continue to meet all applicable licensing
329.21 requirements.

329.22 (b) The commissioner, in administering home and community-based waivers for persons
329.23 with developmental disabilities, shall ensure that day services for eligible persons are not
329.24 provided by the person's residential service provider, unless the person or the person's legal
329.25 representative is offered a choice of providers and agrees in writing to provision of day
329.26 services by the residential service provider. The coordinated service and support plan for
329.27 individuals who choose to have their residential service provider provide their day services
329.28 must describe how health, safety, protection, and habilitation needs will be met, including
329.29 how frequent and regular contact with persons other than the residential service provider
329.30 will occur. The coordinated service and support plan must address the provision of services
329.31 during the day outside the residence on weekdays.

329.32 (c) When a lead agency is evaluating denials, reductions, or terminations of home and
329.33 community-based services under section 256B.0916 for an individual, the lead agency shall
329.34 offer to meet with the individual or the individual's guardian in order to discuss the

330.1 prioritization of service needs within the coordinated service and support plan. The reduction
 330.2 in the authorized services for an individual due to changes in funding for waived services
 330.3 may not exceed the amount needed to ensure medically necessary services to meet the
 330.4 individual's health, safety, and welfare.

330.5 (d) The commissioner shall seek federal approval to allow for the reconfiguration of the
 330.6 1915(c) home and community-based waivers in this section, as authorized under section
 330.7 1915(c) of the federal Social Security Act, to implement a two-waiver program structure.

330.8 (e) The transition to two disability home and community-based services waiver programs
 330.9 must align with the independent living first policy under section 256B.4905. Unless
 330.10 superseded by any other state or federal law, waiver eligibility criteria shall be the same for
 330.11 each waiver. The waiver program that a person uses shall be determined by the support
 330.12 planning process and whether the person chooses to live in a provider-controlled setting or
 330.13 in the person's own home.

330.14 (f) Prior to July 1, 2024, the commissioner shall seek federal approval for the 1915(c)
 330.15 home and community-based waivers in this section, as authorized under section 1915(c) of
 330.16 the federal Social Security Act, to implement an individual resource allocation methodology.

330.17 **EFFECTIVE DATE.** This section is effective July 1, 2024, or 90 days after federal
 330.18 approval, whichever is later. The commissioner of human services shall notify the revisor
 330.19 of statutes when federal approval is obtained.

330.20 Sec. 18. Minnesota Statutes 2020, section 256B.092, is amended by adding a subdivision
 330.21 to read:

330.22 Subd. 11a. **Residential support services criteria.** (a) For the purposes of this subdivision,
 330.23 "residential support services" means the following residential support services reimbursed
 330.24 under section 256B.4914: community residential services, customized living services, and
 330.25 24-hour customized living services.

330.26 (b) In order to increase independent living options for people with disabilities and in
 330.27 accordance with section 256B.4905, subdivisions 3 and 4, and consistent with section
 330.28 245A.03, subdivision 7, the commissioner must establish and implement criteria to access
 330.29 residential support services. The criteria for accessing residential support services must
 330.30 prohibit the commissioner from authorizing residential support services unless at least all
 330.31 of the following conditions are met:

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

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

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

331.9 (c) Individuals with active service agreements for residential support services on the
 331.10 date that the criteria for accessing residential support services become effective are exempt
 331.11 from the requirements of this subdivision, and the exemption from the criteria for accessing
 331.12 residential support services continues to apply for renewals of those service agreements.

331.13 **EFFECTIVE DATE.** This section is effective 90 days following federal approval. The
 331.14 commissioner of human services shall notify the revisor of statutes when federal approval
 331.15 is obtained.

331.16 Sec. 19. Minnesota Statutes 2020, section 256B.092, subdivision 12, is amended to read:

331.17 Subd. 12. ~~Waived~~ **Waiver services statewide priorities.** (a) The commissioner shall
 331.18 establish statewide priorities for individuals on the waiting list for developmental disabilities
 331.19 (DD) waiver services, as of January 1, 2010. The statewide priorities must include, but are
 331.20 not limited to, individuals who continue to have a need for waiver services after they have
 331.21 maximized the use of state plan services and other funding resources, including natural
 331.22 supports, prior to accessing waiver services, and who meet at least one of the following
 331.23 criteria:

331.24 (1) no longer require the intensity of services provided where they are currently living;
 331.25 or

331.26 (2) make a request to move from an institutional setting.

331.27 (b) After the priorities in paragraph (a) are met, priority must also be given to individuals
 331.28 who meet at least one of the following criteria:

331.29 (1) have unstable living situations due to the age, incapacity, or sudden loss of the primary
 331.30 caregivers;

331.31 (2) are moving from an institution due to bed closures;

331.32 (3) experience a sudden closure of their current living arrangement;

332.1 (4) require protection from confirmed abuse, neglect, or exploitation;

332.2 (5) experience a sudden change in need that can no longer be met through state plan
332.3 services or other funding resources alone; or

332.4 (6) meet other priorities established by the department.

332.5 (c) When allocating new enrollment resources to lead agencies, the commissioner must
332.6 take into consideration the number of individuals waiting who meet statewide priorities ~~and~~
332.7 ~~the lead agencies' current use of waiver funds and existing service options. The commissioner~~
332.8 ~~has the authority to transfer funds between counties, groups of counties, and tribes to~~
332.9 ~~accommodate statewide priorities and resource needs while accounting for a necessary base~~
332.10 ~~level reserve amount for each county, group of counties, and tribe.~~

332.11 **EFFECTIVE DATE.** This section is effective July 1, 2024, or 90 days after federal
332.12 approval, whichever is later. The commissioner of human services shall notify the revisor
332.13 of statutes when federal approval is obtained.

332.14 Sec. 20. Minnesota Statutes 2020, section 256B.097, is amended by adding a subdivision
332.15 to read:

332.16 **Subd. 7. Regional quality councils and systems improvement.** The commissioner of
332.17 human services shall maintain the regional quality councils initially established under
332.18 Minnesota Statutes 2020, section 256B.097, subdivision 4. The regional quality councils
332.19 shall:

332.20 (1) support efforts and initiatives that drive overall systems and social change to promote
332.21 inclusion of people who have disabilities in the state of Minnesota;

332.22 (2) improve person-centered outcomes in disability services; and

332.23 (3) identify or enhance quality of life indicators for people who have disabilities.

332.24 Sec. 21. Minnesota Statutes 2020, section 256B.097, is amended by adding a subdivision
332.25 to read:

332.26 **Subd. 8. Membership and staff.** (a) Regional quality councils shall be comprised of
332.27 key stakeholders including, but not limited to:

332.28 (1) individuals who have disabilities;

332.29 (2) family members of people who have disabilities;

332.30 (3) disability service providers;

- 333.1 (4) disability advocacy groups;
- 333.2 (5) lead agency staff; and
- 333.3 (6) staff of state agencies with jurisdiction over special education and disability services.
- 333.4 (b) Membership in a regional quality council must be representative of the communities
- 333.5 in which the council operates, with an emphasis on individuals with lived experience from
- 333.6 diverse racial and cultural backgrounds.
- 333.7 (c) Each regional quality council may hire staff to perform the duties assigned in
- 333.8 subdivision 9.
- 333.9 Sec. 22. Minnesota Statutes 2020, section 256B.097, is amended by adding a subdivision
- 333.10 to read:
- 333.11 Subd. 9. Duties. (a) Each regional quality council shall:
- 333.12 (1) identify issues and barriers that impede Minnesotans who have disabilities from
- 333.13 optimizing choice of home and community-based services;
- 333.14 (2) promote informed-decision making, autonomy, and self-direction;
- 333.15 (3) analyze and review quality outcomes and critical incident data, and immediately
- 333.16 report incidents of life safety concerns to the Department of Human Services Licensing
- 333.17 Division;
- 333.18 (4) inform a comprehensive system for effective incident reporting, investigation, analysis,
- 333.19 and follow-up;
- 333.20 (5) collaborate on projects and initiatives to advance priorities shared with state agencies,
- 333.21 lead agencies, educational institutions, advocacy organizations, community partners, and
- 333.22 other entities engaged in disability service improvements;
- 333.23 (6) establish partnerships and working relationships with individuals and groups in the
- 333.24 regions;
- 333.25 (7) identify and implement regional and statewide quality improvement projects;
- 333.26 (8) transform systems and drive social change in alignment with the disability rights and
- 333.27 disability justice movements identified by leaders who have disabilities;
- 333.28 (9) provide information and training programs for persons who have disabilities and
- 333.29 their families and legal representatives on formal and informal support options and quality
- 333.30 expectations;

334.1 (10) make recommendations to state agencies and other key decision-makers regarding
 334.2 disability services and supports;

334.3 (11) submit every two years a report to legislative committees with jurisdiction over
 334.4 disability services on the status, outcomes, improvement priorities, and activities in the
 334.5 region;

334.6 (12) support people by advocating to resolve complaints between the counties, providers,
 334.7 persons receiving services, and their families and legal representatives; and

334.8 (13) recruit, train, and assign duties to regional quality council teams, including council
 334.9 members, interns, and volunteers, taking into account the skills necessary for the team
 334.10 members to be successful in this work.

334.11 (b) Each regional quality council may engage in quality improvement initiatives related
 334.12 to, but not limited to:

334.13 (1) the home and community-based services waiver programs for persons with
 334.14 developmental disabilities under section 256B.092, subdivision 4, or section 256B.49,
 334.15 including brain injuries and services for those persons who qualify for nursing facility level
 334.16 of care or hospital facility level of care and any other services licensed under chapter 245D;

334.17 (2) home care services under section 256B.0651;

334.18 (3) family support grants under section 252.32;

334.19 (4) consumer support grants under section 256.476;

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

334.21 (6) services provided through an intermediate care facility for persons with developmental
 334.22 disabilities.

334.23 (c) Each regional quality council's work must be informed and directed by the needs
 334.24 and desires of persons who have disabilities in the region in which the council operates.

334.25 Sec. 23. Minnesota Statutes 2020, section 256B.097, is amended by adding a subdivision
 334.26 to read:

334.27 Subd. 10. **Compensation.** (a) A member of a regional quality council who does not
 334.28 receive a salary or wages from an employer may be paid a per diem and reimbursed for
 334.29 expenses related to the member's participation in efforts and initiatives described in
 334.30 subdivision 9 in the same manner and in an amount not to exceed the amount authorized
 334.31 by the commissioner's plan adopted under section 43A.18, subdivision 2.

335.1 (b) Regional quality councils may charge fees for their services.

335.2 Sec. 24. Minnesota Statutes 2020, section 256B.439, is amended by adding a subdivision
335.3 to read:

335.4 Subd. 3c. **Contact information for consumer surveys for home and community-based**
335.5 **services.** For purposes of conducting the consumer surveys under subdivision 3a, the
335.6 commissioner may request contact information of clients and associated key representatives.
335.7 Providers must furnish the contact information available to the provider and must provide
335.8 notice to clients and associated key representatives that their contact information has been
335.9 provided to the commissioner.

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

335.11 Sec. 25. Minnesota Statutes 2020, section 256B.439, is amended by adding a subdivision
335.12 to read:

335.13 Subd. 3d. **Resident experience survey and family survey for assisted living**
335.14 **facilities.** The commissioner shall develop and administer a resident experience survey for
335.15 assisted living facility residents and a family survey for families of assisted living facility
335.16 residents. Money appropriated to the commissioner to administer the resident experience
335.17 survey and family survey is available in either fiscal year of the biennium in which it is
335.18 appropriated.

335.19 Sec. 26. Minnesota Statutes 2020, section 256B.49, subdivision 11, is amended to read:

335.20 Subd. 11. **Authority.** (a) The commissioner is authorized to apply for home and
335.21 community-based service waivers, as authorized under section 1915(c) of the federal Social
335.22 Security Act to serve persons under the age of 65 who are determined to require the level
335.23 of care provided in a nursing home and persons who require the level of care provided in a
335.24 hospital. The commissioner shall apply for the home and community-based waivers in order
335.25 to:

- 335.26 (1) promote the support of persons with disabilities in the most integrated settings;
- 335.27 (2) expand the availability of services for persons who are eligible for medical assistance;
- 335.28 (3) promote cost-effective options to institutional care; and
- 335.29 (4) obtain federal financial participation.

335.30 (b) The provision of ~~waivered~~ waiver services to medical assistance recipients with
335.31 disabilities shall comply with the requirements outlined in the federally approved applications

336.1 for home and community-based services and subsequent amendments, including provision
336.2 of services according to a service plan designed to meet the needs of the individual. For
336.3 purposes of this section, the approved home and community-based application is considered
336.4 the necessary federal requirement.

336.5 (c) The commissioner shall provide interested persons serving on agency advisory
336.6 committees, task forces, the Centers for Independent Living, and others who request to be
336.7 on a list to receive, notice of, and an opportunity to comment on, at least 30 days before
336.8 any effective dates, (1) any substantive changes to the state's disability services program
336.9 manual, or (2) changes or amendments to the federally approved applications for home and
336.10 community-based waivers, prior to their submission to the federal Centers for Medicare
336.11 and Medicaid Services.

336.12 (d) The commissioner shall seek approval, as authorized under section 1915(c) of the
336.13 federal Social Security Act, to allow medical assistance eligibility under this section for
336.14 children under age 21 without deeming of parental income or assets.

336.15 (e) The commissioner shall seek approval, as authorized under section 1915(c) of the
336.16 Social Act, to allow medical assistance eligibility under this section for individuals under
336.17 age 65 without deeming the spouse's income or assets.

336.18 (f) The commissioner shall comply with the requirements in the federally approved
336.19 transition plan for the home and community-based services waivers authorized under this
336.20 section.

336.21 (g) The commissioner shall seek federal approval to allow for the reconfiguration of the
336.22 1915(c) home and community-based waivers in this section, as authorized under section
336.23 1915(c) of the federal Social Security Act, to implement a two-waiver program structure.

336.24 (h) The commissioner shall seek federal approval for the 1915(c) home and
336.25 community-based waivers in this section, as authorized under section 1915(c) of the federal
336.26 Social Security Act, to implement an individual resource allocation methodology.

336.27 **EFFECTIVE DATE.** This section is effective July 1, 2024, or 90 days after federal
336.28 approval, whichever is later. The commissioner of human services shall notify the revisor
336.29 of statutes when federal approval is obtained.

336.30 Sec. 27. Minnesota Statutes 2020, section 256B.49, subdivision 11a, is amended to read:

336.31 Subd. 11a. ~~Waivered Waiver~~ **Waiver services statewide priorities.** (a) The commissioner shall
336.32 establish statewide priorities for individuals on the waiting list for community alternative
336.33 care, community access for disability inclusion, and brain injury waiver services, as of

337.1 January 1, 2010. The statewide priorities must include, but are not limited to, individuals
 337.2 who continue to have a need for waiver services after they have maximized the use of state
 337.3 plan services and other funding resources, including natural supports, prior to accessing
 337.4 waiver services, and who meet at least one of the following criteria:

337.5 (1) no longer require the intensity of services provided where they are currently living;
 337.6 or

337.7 (2) make a request to move from an institutional setting.

337.8 (b) After the priorities in paragraph (a) are met, priority must also be given to individuals
 337.9 who meet at least one of the following criteria:

337.10 (1) have unstable living situations due to the age, incapacity, or sudden loss of the primary
 337.11 caregivers;

337.12 (2) are moving from an institution due to bed closures;

337.13 (3) experience a sudden closure of their current living arrangement;

337.14 (4) require protection from confirmed abuse, neglect, or exploitation;

337.15 (5) experience a sudden change in need that can no longer be met through state plan
 337.16 services or other funding resources alone; or

337.17 (6) meet other priorities established by the department.

337.18 (c) When allocating new enrollment resources to lead agencies, the commissioner must
 337.19 take into consideration the number of individuals waiting who meet statewide priorities ~~and~~
 337.20 ~~the lead agencies' current use of waiver funds and existing service options. The commissioner~~
 337.21 ~~has the authority to transfer funds between counties, groups of counties, and tribes to~~
 337.22 ~~accommodate statewide priorities and resource needs while accounting for a necessary base~~
 337.23 ~~level reserve amount for each county, group of counties, and tribe.~~

337.24 **EFFECTIVE DATE.** This section is effective July 1, 2024, or upon federal approval,
 337.25 whichever is later. The commissioner of human services shall notify the revisor of statutes
 337.26 when federal approval is obtained.

337.27 Sec. 28. Minnesota Statutes 2020, section 256B.49, subdivision 17, is amended to read:

337.28 Subd. 17. **Cost of services and supports.** (a) The commissioner shall ensure that the
 337.29 average per capita expenditures estimated in any fiscal year for home and community-based
 337.30 waiver recipients does not exceed the average per capita expenditures that would have been
 337.31 made to provide institutional services for recipients in the absence of the waiver.

338.1 ~~(b) The commissioner shall implement on January 1, 2002, one or more aggregate,~~
338.2 ~~need-based methods for allocating to local agencies the home and community-based waived~~
338.3 ~~service resources available to support recipients with disabilities in need of the level of care~~
338.4 ~~provided in a nursing facility or a hospital. The commissioner shall allocate resources to~~
338.5 ~~single counties and county partnerships in a manner that reflects consideration of:~~

338.6 ~~(1) an incentive-based payment process for achieving outcomes;~~

338.7 ~~(2) the need for a state-level risk pool;~~

338.8 ~~(3) the need for retention of management responsibility at the state agency level; and~~

338.9 ~~(4) a phase-in strategy as appropriate.~~

338.10 ~~(e) Until the allocation methods described in paragraph (b) are implemented, the annual~~
338.11 ~~allowable reimbursement level of home and community-based waiver services shall be the~~
338.12 ~~greater of:~~

338.13 ~~(1) the statewide average payment amount which the recipient is assigned under the~~
338.14 ~~waiver reimbursement system in place on June 30, 2001, modified by the percentage of any~~
338.15 ~~provider rate increase appropriated for home and community-based services; or~~

338.16 ~~(2) an amount approved by the commissioner based on the recipient's extraordinary~~
338.17 ~~needs that cannot be met within the current allowable reimbursement level. The increased~~
338.18 ~~reimbursement level must be necessary to allow the recipient to be discharged from an~~
338.19 ~~institution or to prevent imminent placement in an institution. The additional reimbursement~~
338.20 ~~may be used to secure environmental modifications; assistive technology and equipment;~~
338.21 ~~and increased costs for supervision, training, and support services necessary to address the~~
338.22 ~~recipient's extraordinary needs. The commissioner may approve an increased reimbursement~~
338.23 ~~level for up to one year of the recipient's relocation from an institution or up to six months~~
338.24 ~~of a determination that a current waiver recipient is at imminent risk of being placed in an~~
338.25 ~~institution.~~

338.26 ~~(d)~~ (b) Beginning July 1, 2001, medically necessary home care nursing services will be
338.27 authorized under this section as complex and regular care according to sections 256B.0651
338.28 to 256B.0654 and 256B.0659. The rate established by the commissioner for registered nurse
338.29 or licensed practical nurse services under any home and community-based waiver as of
338.30 January 1, 2001, shall not be reduced.

338.31 ~~(e)~~ (c) Notwithstanding section 252.28, subdivision 3, paragraph (d), if the 2009
338.32 legislature adopts a rate reduction that impacts payment to providers of adult foster care
338.33 services, the commissioner may issue adult foster care licenses that permit a capacity of

339.1 five adults. The application for a five-bed license must meet the requirements of section
339.2 245A.11, subdivision 2a. Prior to admission of the fifth recipient of adult foster care services,
339.3 the county must negotiate a revised per diem rate for room and board and waiver services
339.4 that reflects the legislated rate reduction and results in an overall average per diem reduction
339.5 for all foster care recipients in that home. The revised per diem must allow the provider to
339.6 maintain, as much as possible, the level of services or enhanced services provided in the
339.7 residence, while mitigating the losses of the legislated rate reduction.

339.8 **EFFECTIVE DATE.** This section is effective July 1, 2024, or upon federal approval,
339.9 whichever is later. The commissioner of human services shall notify the revisor of statutes
339.10 when federal approval is obtained.

339.11 Sec. 29. Minnesota Statutes 2020, section 256B.49, is amended by adding a subdivision
339.12 to read:

339.13 Subd. 28. Customized living moratorium for brain injury and community access
339.14 for disability inclusion waivers. (a) Notwithstanding section 245A.03, subdivision 2,
339.15 paragraph (a), clause (23), to prevent new development of customized living settings that
339.16 otherwise meet the residential program definition under section 245A.02, subdivision 14,
339.17 the commissioner shall not enroll new customized living settings serving four or fewer
339.18 people in a single-family home to deliver customized living services as defined under the
339.19 brain injury or community access for disability inclusion waiver plans under this section.

339.20 (b) The commissioner may approve an exception to paragraph (a) when an existing
339.21 customized living setting changes ownership at the same address.

339.22 (c) Customized living settings operational on or before June 30, 2021, are considered
339.23 existing customized living settings.

339.24 (d) For any new customized living settings serving four or fewer people in a single-family
339.25 home to deliver customized living services as defined in paragraph (a) and that was not
339.26 operational on or before June 30, 2021, the authorizing lead agency is financially responsible
339.27 for all home and community-based service payments in the setting.

339.28 (e) For purposes of this subdivision, "operational" means customized living services are
339.29 authorized and delivered to a person in the customized living setting.

339.30 **EFFECTIVE DATE.** This section is effective July 1, 2021. This section applies only
339.31 to customized living services as defined under the brain injury or community access for
339.32 disability inclusion waiver plans under Minnesota Statutes, section 256B.49.

340.1 Sec. 30. Minnesota Statutes 2020, section 256B.49, is amended by adding a subdivision
340.2 to read:

340.3 Subd. 29. **Residential support services criteria.** (a) For the purposes of this subdivision,
340.4 "residential support services" means the following residential support services reimbursed
340.5 under section 256B.4914: community residential services, customized living services, and
340.6 24-hour customized living services.

340.7 (b) In order to increase independent living options for people with disabilities and in
340.8 accordance with section 256B.4905, subdivisions 3 and 4, and consistent with section
340.9 245A.03, subdivision 7, the commissioner must establish and implement criteria to access
340.10 residential support services. The criteria for accessing residential support services must
340.11 prohibit the commissioner from authorizing residential support services unless at least all
340.12 of the following conditions are met:

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

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

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

340.22 (c) Individuals with active service agreements for residential support services on the
340.23 date that the criteria for accessing residential support services become effective are exempt
340.24 from the requirements of this subdivision, and the exemption from the criteria for accessing
340.25 residential support services continues to apply for renewals of those service agreements.

340.26 **EFFECTIVE DATE.** This section is effective 90 days following federal approval. The
340.27 commissioner of human services shall notify the revisor of statutes when federal approval
340.28 is obtained.

340.29 Sec. 31. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
340.30 to read:

340.31 Subd. 1a. **Informed choice.** For purposes of this section, "informed choice" means a
340.32 choice that adults who have disabilities and, with support from their families or legal
340.33 representatives, that children who have disabilities make regarding services and supports

341.1 that best meets the adult's or children's needs and preferences. Before making an informed
341.2 choice, an individual who has disabilities must be provided, in an accessible format and
341.3 manner that meets the individual's needs, the tools, information, and opportunities that the
341.4 individual requires to understand all of the individual's options.

341.5 Sec. 32. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
341.6 to read:

341.7 Subd. 2a. **Informed choice policy.** (a) It is the policy of this state that all adults who
341.8 have disabilities and, with support from their families or legal representatives, all children
341.9 who have disabilities:

341.10 (1) may make informed choices to select and utilize disability services and supports;
341.11 and

341.12 (2) are offered an informed decision-making process sufficient to make informed choices.

341.13 (b) It is the policy of this state that disability waivers services support the presumption
341.14 that adults who have disabilities and, with support from their families or legal representatives,
341.15 children who have disabilities may make informed choices; and that all adults who have
341.16 disabilities and all families of children who have disabilities and are accessing waiver
341.17 services under sections 256B.092 and 256B.49 are provided an informed decision-making
341.18 process that satisfies the requirements of subdivision 3a.

341.19 Sec. 33. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
341.20 to read:

341.21 Subd. 3a. **Informed decision making.** "Informed decision making" means a process
341.22 that provides accessible, correct, and complete information to help an individual who is
341.23 accessing waiver services under sections 256B.092 and 256B.49 make an informed choice.
341.24 This information must be accessible and understandable to the individual so that the
341.25 individual is able to demonstrate understanding of the options. Any written information
341.26 provided in the process must be accessible and the process must be experiential whenever
341.27 possible. The process must also consider and offer to the individual, in a person-centered
341.28 manner, the following:

341.29 (1) reasonable accommodations as needed or requested by the individual to fully
341.30 participate in the informed decision-making process and acquire the information necessary
341.31 to make an informed choice;

341.32 (2) discussion of the individual's own preferences, abilities, goals, and objectives;

- 342.1 (3) identification of the person's cultural needs and access to culturally responsive services
342.2 and providers;
- 342.3 (4) information about the benefits of inclusive and individualized services and supports;
- 342.4 (5) presentation and discussion of all options with the person;
- 342.5 (6) documentation, in a manner prescribed by the commissioner, of each option discussed;
- 342.6 (7) exploration and development of new or other options;
- 342.7 (8) facilitation of opportunities to visit alternative locations or to engage in experiences
342.8 to understand how any service option might work for the person;
- 342.9 (9) opportunities to meet with other individuals with disabilities who live, work, and
342.10 receive services different from the person's own services;
- 342.11 (10) development of a transition plan, when needed or requested by the person, to
342.12 facilitate the choice to move from one service type or setting to another, and authorization
342.13 of the services and supports necessary to effectuate the plan;
- 342.14 (11) identification of any barriers to assisting or implementing the person's informed
342.15 choice and authorization of the services and supports necessary to overcome those barriers;
342.16 and
- 342.17 (12) ample time and timely opportunity to consider available options before the individual
342.18 makes a final choice or changes a choice.

342.19 Sec. 34. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
342.20 to read:

342.21 Subd. 4a. **Informed choice in employment policy.** It is the policy of this state that
342.22 working-age individuals who have disabilities:

342.23 (1) can work and achieve competitive integrated employment with appropriate services
342.24 and supports, as needed;

342.25 (2) make informed choices about their postsecondary education, work, and career goals;
342.26 and

342.27 (3) will be offered the opportunity to make an informed choice, at least annually, to
342.28 pursue postsecondary education or to work and earn a competitive wage.

343.1 Sec. 35. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
343.2 to read:

343.3 Subd. 5a. **Employment first implementation for disability waiver services.** The
343.4 commissioner of human services shall ensure that:

343.5 (1) the disability waivers under sections 256B.092 and 256B.49 support the presumption
343.6 that all working-age Minnesotans with disabilities can work and achieve competitive
343.7 integrated employment with appropriate services and supports, as needed; and

343.8 (2) each waiver recipient of working age be offered, after an informed decision-making
343.9 process and during a person-centered planning process, the opportunity to work and earn a
343.10 competitive wage before being offered exclusively day services as defined in section
343.11 245D.03, subdivision 1, paragraph (c), clause (4), or successor provisions.

343.12 Sec. 36. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
343.13 to read:

343.14 Subd. 7. **Informed choice in community living policy.** It is the policy of this state that
343.15 all adults who have disabilities:

343.16 (1) can live in the communities of the individual's choosing with appropriate services
343.17 and supports as needed; and

343.18 (2) have the right, at least annually, to make an informed decision-making process that
343.19 can help them make an informed choice to live outside of a provider-controlled setting.

343.20 Sec. 37. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
343.21 to read:

343.22 Subd. 8. **Independent living first implementation for disability waiver services.** The
343.23 commissioner of human services shall ensure that:

343.24 (1) the disability waivers under sections 256B.092 and 256B.49 support the presumption
343.25 that all adults who have disabilities can and want to live in the communities of the individual's
343.26 choosing with services and supports, as needed; and

343.27 (2) each adult waiver recipient is offered, after an informed decision-making process
343.28 and during a person-centered planning process, the opportunity to live as independently as
343.29 possible, in a nonprovider-controlled setting, before the recipient is offered a
343.30 provider-controlled setting. A provider-controlled setting includes customized living services
343.31 provided in a single-family home or residential supports and services as defined in section

344.1 245D.03, subdivision 1, paragraph (c), clause (3), or successor provisions, unless the
344.2 residential supports and services are provided in a family adult foster care residence under
344.3 a shared-living option as described in Laws 2013, chapter 108, article 7, section 62.

344.4 Sec. 38. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
344.5 to read:

344.6 Subd. 9. **Informed choice in self-direction policy.** It is the policy of this state that adults
344.7 who have disabilities and families of children who have disabilities:

344.8 (1) can direct the adult's or child's needed services and supports; and

344.9 (2) have the right to make an informed choice to self-direct the adult's or child's services
344.10 and supports before being offered options that do not allow the adult or family to self-direct
344.11 the adult's or child's services and supports.

344.12 Sec. 39. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
344.13 to read:

344.14 Subd. 10. **Informed choice in self-direction implementation for disability waiver**
344.15 services. The commissioner of human services shall ensure that:

344.16 (1) disability waivers under sections 256B.092 and 256B.49 support the presumption
344.17 that adults who have disabilities and families of children who have disabilities can direct
344.18 all of their services and supports, including self-directed funding options; and

344.19 (2) each waiver recipient is offered, after an informed decision-making process and
344.20 during a person-centered planning process, the opportunity to choose self-directed services
344.21 and supports, including self-directed funding options, before the recipient is offered services
344.22 and supports that are not self-directed.

344.23 Sec. 40. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
344.24 to read:

344.25 Subd. 11. **Informed choice in technology policy.** It is the policy of this state that all
344.26 adults who have disabilities and children who have disabilities:

344.27 (1) can use assistive technology, remote supports, or a combination of both to enhance
344.28 the adult's or child's independence and quality of life; and

344.29 (2) have the right, at least annually, to make an informed choice about the adult's or
344.30 child's use of assistive technology and remote supports.

345.1 Sec. 41. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
345.2 to read:

345.3 Subd. 12. **Informed choice in technology implementation for disability waiver**
345.4 **services.** The commissioner of human services shall ensure that:

345.5 (1) disability waivers under sections 256B.092 and 256B.49 support the presumption
345.6 that all adults who have disabilities and children who have disabilities may use assistive
345.7 technology, remote supports, or both to enhance the adult's or child's independence and
345.8 quality of life; and

345.9 (2) each individual accessing waiver services is offered, after an informed decision-
345.10 making process and during a person-centered planning process, the opportunity to choose
345.11 assistive technology, remote support, or both to ensure equitable access.

345.12 Sec. 42. Minnesota Statutes 2020, section 256B.4914, subdivision 5, is amended to read:

345.13 **Subd. 5. Base wage index and standard component values.** (a) The base wage index
345.14 is established to determine staffing costs associated with providing services to individuals
345.15 receiving home and community-based services. For purposes of developing and calculating
345.16 the proposed base wage, Minnesota-specific wages taken from job descriptions and standard
345.17 occupational classification (SOC) codes from the Bureau of Labor Statistics as defined in
345.18 the most recent edition of the Occupational Handbook must be used. The base wage index
345.19 must be calculated as follows:

345.20 (1) for residential direct care staff, the sum of:

345.21 (i) 15 percent of the subtotal of 50 percent of the median wage for personal and home
345.22 health aide (SOC code 39-9021); 30 percent of the median wage for nursing assistant (SOC
345.23 code 31-1014); and 20 percent of the median wage for social and human services aide (SOC
345.24 code 21-1093); and

345.25 (ii) 85 percent of the subtotal of 20 percent of the median wage for home health aide
345.26 (SOC code 31-1011); 20 percent of the median wage for personal and home health aide
345.27 (SOC code 39-9021); 20 percent of the median wage for nursing assistant (SOC code
345.28 31-1014); 20 percent of the median wage for psychiatric technician (SOC code 29-2053);
345.29 and 20 percent of the median wage for social and human services aide (SOC code 21-1093);

345.30 (2) for adult day services, 70 percent of the median wage for nursing assistant (SOC
345.31 code 31-1014); and 30 percent of the median wage for personal care aide (SOC code
345.32 39-9021);

346.1 (3) for day services, day support services, and prevocational services, 20 percent of the
346.2 median wage for nursing assistant (SOC code 31-1014); 20 percent of the median wage for
346.3 psychiatric technician (SOC code 29-2053); and 60 percent of the median wage for social
346.4 and human services aide (SOC code 21-1093);

346.5 (4) for residential asleep-overnight staff, the wage is the minimum wage in Minnesota
346.6 for large employers, except in a family foster care setting, the wage is 36 percent of the
346.7 minimum wage in Minnesota for large employers;

346.8 (5) for positive supports analyst staff, 100 percent of the median wage for mental health
346.9 counselors (SOC code 21-1014);

346.10 (6) for positive supports professional staff, 100 percent of the median wage for clinical
346.11 counseling and school psychologist (SOC code 19-3031);

346.12 (7) for positive supports specialist staff, 100 percent of the median wage for psychiatric
346.13 technicians (SOC code 29-2053);

346.14 (8) for supportive living services staff, 20 percent of the median wage for nursing assistant
346.15 (SOC code 31-1014); 20 percent of the median wage for psychiatric technician (SOC code
346.16 29-2053); and 60 percent of the median wage for social and human services aide (SOC code
346.17 21-1093);

346.18 (9) for housing access coordination staff, 100 percent of the median wage for community
346.19 and social services specialist (SOC code 21-1099);

346.20 (10) for in-home family support and individualized home supports with family training
346.21 staff, 20 percent of the median wage for nursing aide (SOC code 31-1012); 30 percent of
346.22 the median wage for community social service specialist (SOC code 21-1099); 40 percent
346.23 of the median wage for social and human services aide (SOC code 21-1093); and ten percent
346.24 of the median wage for psychiatric technician (SOC code 29-2053);

346.25 (11) for individualized home supports with training services staff, 40 percent of the
346.26 median wage for community social service specialist (SOC code 21-1099); 50 percent of
346.27 the median wage for social and human services aide (SOC code 21-1093); and ten percent
346.28 of the median wage for psychiatric technician (SOC code 29-2053);

346.29 (12) for independent living skills staff, 40 percent of the median wage for community
346.30 social service specialist (SOC code 21-1099); 50 percent of the median wage for social and
346.31 human services aide (SOC code 21-1093); and ten percent of the median wage for psychiatric
346.32 technician (SOC code 29-2053);

347.1 (13) for employment support services staff, 50 percent of the median wage for
347.2 rehabilitation counselor (SOC code 21-1015); and 50 percent of the median wage for
347.3 community and social services specialist (SOC code 21-1099);

347.4 (14) for employment exploration services staff, 50 percent of the median wage for
347.5 rehabilitation counselor (SOC code 21-1015); and 50 percent of the median wage for
347.6 community and social services specialist (SOC code 21-1099);

347.7 (15) for employment development services staff, 50 percent of the median wage for
347.8 education, guidance, school, and vocational counselors (SOC code 21-1012); and 50 percent
347.9 of the median wage for community and social services specialist (SOC code 21-1099);

347.10 (16) for individualized home support staff, 50 percent of the median wage for personal
347.11 and home care aide (SOC code 39-9021); and 50 percent of the median wage for nursing
347.12 assistant (SOC code 31-1014);

347.13 (17) for adult companion staff, 50 percent of the median wage for personal and home
347.14 care aide (SOC code 39-9021); and 50 percent of the median wage for nursing assistant
347.15 (SOC code 31-1014);

347.16 (18) for night supervision staff, 20 percent of the median wage for home health aide
347.17 (SOC code 31-1011); 20 percent of the median wage for personal and home health aide
347.18 (SOC code 39-9021); 20 percent of the median wage for nursing assistant (SOC code
347.19 31-1014); 20 percent of the median wage for psychiatric technician (SOC code 29-2053);
347.20 and 20 percent of the median wage for social and human services aide (SOC code 21-1093);

347.21 (19) for respite staff, 50 percent of the median wage for personal and home care aide
347.22 (SOC code 39-9021); and 50 percent of the median wage for nursing assistant (SOC code
347.23 31-1014);

347.24 (20) for personal support staff, 50 percent of the median wage for personal and home
347.25 care aide (SOC code 39-9021); and 50 percent of the median wage for nursing assistant
347.26 (SOC code 31-1014);

347.27 (21) for supervisory staff, 100 percent of the median wage for community and social
347.28 services specialist (SOC code 21-1099), with the exception of the supervisor of positive
347.29 supports professional, positive supports analyst, and positive supports specialists, which is
347.30 100 percent of the median wage for clinical counseling and school psychologist (SOC code
347.31 19-3031);

347.32 (22) for registered nurse staff, 100 percent of the median wage for registered nurses
347.33 (SOC code 29-1141); and

348.1 (23) for licensed practical nurse staff, 100 percent of the median wage for licensed
348.2 practical nurses (SOC code 29-2061).

348.3 (b) Component values for corporate foster care services, corporate supportive living
348.4 services daily, community residential services, and integrated community support services
348.5 are:

348.6 (1) competitive workforce factor: 4.7 percent;

348.7 (2) supervisory span of control ratio: 11 percent;

348.8 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

348.9 (4) employee-related cost ratio: 23.6 percent;

348.10 (5) general administrative support ratio: 13.25 percent;

348.11 (6) program-related expense ratio: 1.3 percent; and

348.12 (7) absence and utilization factor ratio: 3.9 percent.

348.13 (c) Component values for family foster care are:

348.14 (1) competitive workforce factor: 4.7 percent;

348.15 (2) supervisory span of control ratio: 11 percent;

348.16 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

348.17 (4) employee-related cost ratio: 23.6 percent;

348.18 (5) general administrative support ratio: 3.3 percent;

348.19 (6) program-related expense ratio: 1.3 percent; and

348.20 (7) absence factor: 1.7 percent.

348.21 (d) Component values for day training and habilitation, day support services, and
348.22 prevocational services are:

348.23 (1) competitive workforce factor: 4.7 percent;

348.24 (2) supervisory span of control ratio: 11 percent;

348.25 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

348.26 (4) employee-related cost ratio: 23.6 percent;

348.27 (5) program plan support ratio: 5.6 percent;

348.28 (6) client programming and support ratio: ten percent;

- 349.1 (7) general administrative support ratio: 13.25 percent;
- 349.2 (8) program-related expense ratio: 1.8 percent; and
- 349.3 (9) absence and utilization factor ratio: 9.4 percent.
- 349.4 (e) Component values for adult day services are:
- 349.5 (1) competitive workforce factor: 4.7 percent;
- 349.6 (2) supervisory span of control ratio: 11 percent;
- 349.7 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;
- 349.8 (4) employee-related cost ratio: 23.6 percent;
- 349.9 (5) program plan support ratio: 5.6 percent;
- 349.10 (6) client programming and support ratio: 7.4 percent;
- 349.11 (7) general administrative support ratio: 13.25 percent;
- 349.12 (8) program-related expense ratio: 1.8 percent; and
- 349.13 (9) absence and utilization factor ratio: 9.4 percent.
- 349.14 (f) Component values for unit-based services with programming are:
- 349.15 (1) competitive workforce factor: 4.7 percent;
- 349.16 (2) supervisory span of control ratio: 11 percent;
- 349.17 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;
- 349.18 (4) employee-related cost ratio: 23.6 percent;
- 349.19 (5) program plan supports ratio: 15.5 percent;
- 349.20 (6) client programming and supports ratio: 4.7 percent;
- 349.21 (7) general administrative support ratio: 13.25 percent;
- 349.22 (8) program-related expense ratio: 6.1 percent; and
- 349.23 (9) absence and utilization factor ratio: 3.9 percent.
- 349.24 (g) Component values for unit-based services without programming except respite are:
- 349.25 (1) competitive workforce factor: 4.7 percent;
- 349.26 (2) supervisory span of control ratio: 11 percent;
- 349.27 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

- 350.1 (4) employee-related cost ratio: 23.6 percent;
- 350.2 (5) program plan support ratio: 7.0 percent;
- 350.3 (6) client programming and support ratio: 2.3 percent;
- 350.4 (7) general administrative support ratio: 13.25 percent;
- 350.5 (8) program-related expense ratio: 2.9 percent; and
- 350.6 (9) absence and utilization factor ratio: 3.9 percent.
- 350.7 (h) Component values for unit-based services without programming for respite are:
- 350.8 (1) competitive workforce factor: 4.7 percent;
- 350.9 (2) supervisory span of control ratio: 11 percent;
- 350.10 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;
- 350.11 (4) employee-related cost ratio: 23.6 percent;
- 350.12 (5) general administrative support ratio: 13.25 percent;
- 350.13 (6) program-related expense ratio: 2.9 percent; and
- 350.14 (7) absence and utilization factor ratio: 3.9 percent.
- 350.15 (i) ~~On July 1, 2022, and every two years thereafter,~~ The commissioner shall update the
- 350.16 base wage index in paragraph (a) ~~based on wage data by SOC from the Bureau of Labor~~
- 350.17 ~~Statistics available 30 months and one day prior to the scheduled update. The commissioner~~
- 350.18 ~~shall,~~ publish these updated values, and load them into the rate management system as
- 350.19 follows:
- 350.20 (1) on January 1, 2022, based on wage data by SOC from the Bureau of Labor Statistics
- 350.21 available as of December 31, 2019;
- 350.22 (2) on November 1, 2024, based on wage data by SOC from the Bureau of Labor Statistics
- 350.23 available as of December 31, 2021; and
- 350.24 (3) on July 1, 2026, and every two years thereafter, based on wage data by SOC from
- 350.25 the Bureau of Labor Statistics available 30 months and one day prior to the scheduled update.
- 350.26 (j) Beginning February 1, 2021, and every two years thereafter, the commissioner shall
- 350.27 report to the chairs and ranking minority members of the legislative committees and divisions
- 350.28 with jurisdiction over health and human services policy and finance an analysis of the
- 350.29 competitive workforce factor. The report must include recommendations to update the
- 350.30 competitive workforce factor using:

351.1 (1) the most recently available wage data by SOC code for the weighted average wage
351.2 for direct care staff for residential services and direct care staff for day services;

351.3 (2) the most recently available wage data by SOC code of the weighted average wage
351.4 of comparable occupations; and

351.5 (3) workforce data as required under subdivision 10a, paragraph (g).

351.6 The commissioner shall not recommend an increase or decrease of the competitive workforce
351.7 factor from the current value by more than two percentage points. If, after a biennial analysis
351.8 for the next report, the competitive workforce factor is less than or equal to zero, the
351.9 commissioner shall recommend a competitive workforce factor of zero.

351.10 (k) ~~On July 1, 2022, and every two years thereafter,~~ The commissioner shall update the
351.11 framework components in paragraph (d), clause (6); paragraph (e), clause (6); paragraph
351.12 (f), clause (6); and paragraph (g), clause (6); subdivision 6, paragraphs (b), clauses (9) and
351.13 (10), and (e), clause (10); and subdivision 7, clauses (11), (17), and (18), for changes in the
351.14 Consumer Price Index. The commissioner shall adjust these values higher or lower ~~by the~~
351.15 ~~percentage change in the CPI-U from the date of the previous update to the data available~~
351.16 ~~30 months and one day prior to the scheduled update. The commissioner shall~~ publish these
351.17 updated values, and load them into the rate management system as follows:

351.18 (1) on January 1, 2022, by the percentage change in the CPI-U from the date of the
351.19 previous update to the data available on December 31, 2019;

351.20 (2) on November 1, 2024, by the percentage change in the CPI-U from the date of the
351.21 previous update to the data available as of December 31, 2021; and

351.22 (3) on July 1, 2026, and every two years thereafter, by the percentage change in the
351.23 CPI-U from the date of the previous update to the data available 30 months and one day
351.24 prior to the scheduled update.

351.25 (l) Upon the implementation of the updates under paragraphs (i) and (k), rate adjustments
351.26 authorized under section 256B.439, subdivision 7; Laws 2013, chapter 108, article 7, section
351.27 60; and Laws 2014, chapter 312, article 27, section 75, shall be removed from service rates
351.28 calculated under this section.

351.29 (m) Any rate adjustments applied to the service rates calculated under this section outside
351.30 of the cost components and rate methodology specified in this section shall be removed
351.31 from rate calculations upon implementation of the updates under paragraphs (i) and (k).

352.1 (n) In this subdivision, if Bureau of Labor Statistics occupational codes or Consumer
352.2 Price Index items are unavailable in the future, the commissioner shall recommend to the
352.3 legislature codes or items to update and replace missing component values.

352.4 (o) At least 80 percent of the marginal increase in revenue from the rate adjustment
352.5 applied to the service rates calculated under this section in paragraphs (i) and (k) beginning
352.6 on January 1, 2022, for services rendered between January 1, 2022, and March 31, 2024,
352.7 must be used to increase compensation-related costs for employees directly employed by
352.8 the program on or after January 1, 2022. For the purposes of this paragraph,
352.9 compensation-related costs include:

352.10 (1) wages and salaries;

352.11 (2) the employer's share of FICA taxes, Medicare taxes, state and federal unemployment
352.12 taxes, workers' compensation, and mileage reimbursement;

352.13 (3) the employer's paid share of health and dental insurance, life insurance, disability
352.14 insurance, long-term care insurance, uniform allowance, pensions, and contributions to
352.15 employee retirement accounts; and

352.16 (4) benefits that address direct support professional workforce needs above and beyond
352.17 what employees were offered prior to January 1, 2022, including retention and recruitment
352.18 bonuses and tuition reimbursement.

352.19 Compensation-related costs for persons employed in the central office of a corporation or
352.20 entity that has an ownership interest in the provider or exercises control over the provider,
352.21 or for persons paid by the provider under a management contract, do not count toward the
352.22 80 percent requirement under this paragraph. A provider agency or individual provider that
352.23 receives a rate subject to the requirements of this paragraph shall prepare, and upon request
352.24 submit to the commissioner, a distribution plan that specifies the amount of money the
352.25 provider expects to receive that is subject to the requirements of this paragraph, including
352.26 how that money was or will be distributed to increase compensation-related costs for
352.27 employees. Within 60 days of final implementation of a rate adjustment subject to the
352.28 requirements of this paragraph, the provider must post the distribution plan and leave it
352.29 posted for a period of at least six months in an area of the provider's operation to which all
352.30 direct support professionals have access.

352.31 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
352.32 whichever is later. The commissioner of human services shall inform the revisor of statutes
352.33 when federal approval is obtained.

353.1 Sec. 43. Minnesota Statutes 2020, section 256B.4914, subdivision 6, is amended to read:

353.2 Subd. 6. **Payments for residential support services.** (a) For purposes of this subdivision,
353.3 residential support services includes 24-hour customized living services, community
353.4 residential services, customized living services, family residential services, foster care
353.5 services, integrated community supports, and supportive living services daily.

353.6 (b) Payments for community residential services, corporate foster care services, corporate
353.7 supportive living services daily, family residential services, and family foster care services
353.8 must be calculated as follows:

353.9 (1) determine the number of shared staffing and individual direct staff hours to meet a
353.10 recipient's needs provided on site or through monitoring technology;

353.11 (2) personnel hourly wage rate must be based on the 2009 Bureau of Labor Statistics
353.12 Minnesota-specific rates or rates derived by the commissioner as provided in subdivision
353.13 5;

353.14 (3) except for subdivision 5, paragraph (a), clauses (4) and (21) to (23), multiply the
353.15 result of clause (2) by the product of one plus the competitive workforce factor in subdivision
353.16 5, paragraph (b), clause (1);

353.17 (4) for a recipient requiring customization for deaf and hard-of-hearing language
353.18 accessibility under subdivision 12, add the customization rate provided in subdivision 12
353.19 to the result of clause (3);

353.20 (5) multiply the number of shared and individual direct staff hours provided on site or
353.21 through monitoring technology and nursing hours by the appropriate staff wages;

353.22 (6) multiply the number of shared and individual direct staff hours provided on site or
353.23 through monitoring technology and nursing hours by the product of the supervision span
353.24 of control ratio in subdivision 5, paragraph (b), clause (2), and the appropriate supervision
353.25 wage in subdivision 5, paragraph (a), clause (21);

353.26 (7) combine the results of clauses (5) and (6), excluding any shared and individual direct
353.27 staff hours provided through monitoring technology, and multiply the result by one plus
353.28 the employee vacation, sick, and training allowance ratio in subdivision 5, paragraph (b),
353.29 clause (3). This is defined as the direct staffing cost;

353.30 (8) for employee-related expenses, multiply the direct staffing cost, excluding any shared
353.31 and individual direct staff hours provided through monitoring technology, by one plus the
353.32 employee-related cost ratio in subdivision 5, paragraph (b), clause (4);

354.1 (9) for client programming and supports, the commissioner shall add \$2,179; and

354.2 (10) for transportation, if provided, the commissioner shall add \$1,680, or \$3,000 if
354.3 customized for adapted transport, based on the resident with the highest assessed need.

354.4 (c) The total rate must be calculated using the following steps:

354.5 (1) subtotal paragraph (b), clauses (8) to (10), and the direct staffing cost of any shared
354.6 and individual direct staff hours provided through monitoring technology that was excluded
354.7 in clause (8);

354.8 (2) sum the standard general and administrative rate, the program-related expense ratio,
354.9 and the absence and utilization ratio;

354.10 (3) divide the result of clause (1) by one minus the result of clause (2). This is the total
354.11 payment amount; and

354.12 (4) adjust the result of clause (3) by a factor to be determined by the commissioner to
354.13 adjust for regional differences in the cost of providing services.

354.14 (d) The payment methodology for customized living, and 24-hour customized living,
354.15 ~~and residential care services~~ must be the customized living tool. ~~Revisions to~~ The
354.16 commissioner shall revise the customized living tool ~~must be made~~ to reflect the services
354.17 and activities unique to disability-related recipient needs, and adjust for regional differences
354.18 in the cost of providing services. The rate adjustments described in section 256S.205 do not
354.19 apply to rates paid under this section. Customized living and 24-hour customized living
354.20 rates determined under this section shall not include more than 24 hours of support in a
354.21 daily unit. The commissioner shall establish the following acuity-based customized living
354.22 tool input limits, based on case mix, for customized living and 24-hour customized living
354.23 rates determined under this section:

354.24 (1) no more than two hours of mental health management per day for people assessed
354.25 for case mixes A, D, and G;

354.26 (2) no more than four hours of activities of daily living assistance per day for people
354.27 assessed for case mix B; and

354.28 (3) no more than six hours of activities of daily living assistance per day for people
354.29 assessed for case mix D.

354.30 (e) Payments for integrated community support services must be calculated as follows:

354.31 (1) the base shared staffing ~~shall~~ must be eight hours divided by the number of people
354.32 receiving support in the integrated community support setting;

355.1 (2) the individual staffing hours ~~shall~~ must be the average number of direct support hours
355.2 provided directly to the service recipient;

355.3 (3) the personnel hourly wage rate must be based on the most recent Bureau of Labor
355.4 Statistics Minnesota-specific rates or rates derived by the commissioner as provided in
355.5 subdivision 5;

355.6 (4) except for subdivision 5, paragraph (a), clauses (4) and (21) to (23), multiply the
355.7 result of clause (3) by the product of one plus the competitive workforce factor in subdivision
355.8 5, paragraph (b), clause (1);

355.9 (5) for a recipient requiring customization for deaf and hard-of-hearing language
355.10 accessibility under subdivision 12, add the customization rate provided in subdivision 12
355.11 to the result of clause (4);

355.12 (6) multiply the number of shared and individual direct staff hours in clauses (1) and
355.13 (2) by the appropriate staff wages;

355.14 (7) multiply the number of shared and individual direct staff hours in clauses (1) and
355.15 (2) by the product of the supervisory span of control ratio in subdivision 5, paragraph (b),
355.16 clause (2), and the appropriate supervisory wage in subdivision 5, paragraph (a), clause
355.17 (21);

355.18 (8) combine the results of clauses (6) and (7) and multiply the result by one plus the
355.19 employee vacation, sick, and training allowance ratio in subdivision 5, paragraph (b), clause
355.20 (3). This is defined as the direct staffing cost;

355.21 (9) for employee-related expenses, multiply the direct staffing cost by one plus the
355.22 employee-related cost ratio in subdivision 5, paragraph (b), clause (4); and

355.23 (10) for client programming and supports, the commissioner shall add \$2,260.21 divided
355.24 by 365.

355.25 (f) The total rate must be calculated as follows:

355.26 (1) add the results of paragraph (e), clauses (9) and (10);

355.27 (2) add the standard general and administrative rate, the program-related expense ratio,
355.28 and the absence and utilization factor ratio;

355.29 (3) divide the result of clause (1) by one minus the result of clause (2). This is the total
355.30 payment amount; and

355.31 (4) adjust the result of clause (3) by a factor to be determined by the commissioner to
355.32 adjust for regional differences in the cost of providing services.

356.1 ~~(g) The payment methodology for customized living and 24-hour customized living~~
 356.2 ~~services must be the customized living tool. The commissioner shall revise the customized~~
 356.3 ~~living tool to reflect the services and activities unique to disability-related recipient needs~~
 356.4 ~~and adjust for regional differences in the cost of providing services.~~

356.5 ~~(h)~~ (g) The number of days authorized for all individuals enrolling in residential services
 356.6 must include every day that services start and end.

356.7 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
 356.8 whichever is later, except the fifth sentence in paragraph (d) is effective January 1, 2022.
 356.9 The commissioner of human services shall notify the revisor of statutes when federal approval
 356.10 is obtained.

356.11 Sec. 44. Minnesota Statutes 2020, section 256B.5012, is amended by adding a subdivision
 356.12 to read:

356.13 Subd. 18. **ICF/DD rate increases effective January 1, 2022.** (a) For the rate period
 356.14 beginning January 1, 2022, the commissioner must increase operating payments for each
 356.15 facility reimbursed under this section equal to five percent of the operating payment rates
 356.16 in effect on December 31, 2021.

356.17 (b) For each facility, the commissioner must apply the rate increase based on occupied
 356.18 beds, using the percentage specified in this subdivision multiplied by the total payment rate,
 356.19 including the variable rate but excluding the property-related payment rate in effect on
 356.20 December 31, 2021. The total rate increase must include the adjustment provided in section
 356.21 256B.501, subdivision 12.

356.22 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
 356.23 whichever is later. The commissioner of human services shall inform the revisor of statutes
 356.24 when federal approval is obtained.

356.25 Sec. 45. Minnesota Statutes 2020, section 256B.5013, subdivision 1, is amended to read:

356.26 Subdivision 1. **Variable rate adjustments.** (a) ~~For rate years beginning on or after~~
 356.27 ~~October 1, 2000,~~ When there is a documented increase in the needs of a current ICF/DD
 356.28 recipient, the county of financial responsibility may recommend a variable rate to enable
 356.29 the facility to meet the individual's increased needs. Variable rate adjustments made under
 356.30 this subdivision replace payments for persons with special needs for crisis intervention
 356.31 services under section 256B.501, subdivision 8a. ~~Effective July 1, 2003, facilities with a~~
 356.32 ~~base rate above the 50th percentile of the statewide average reimbursement rate for a Class~~

357.1 ~~A facility or Class B facility, whichever matches the facility licensure, are not eligible for~~
 357.2 ~~a variable rate adjustment. Variable rate adjustments may not exceed a 12-month period,~~
 357.3 ~~except when approved for purposes established in paragraph (b), clause (1). Once approved,~~
 357.4 ~~variable rate adjustments must continue to remain in place unless there is an identified~~
 357.5 ~~change in need. A review of needed resources must be done at the time of the individual's~~
 357.6 ~~annual support plan meeting. Any change in need identified must result in submission of a~~
 357.7 ~~request to adjust the resources for the individual. Variable rate adjustments approved solely~~
 357.8 ~~on the basis of changes on a developmental disabilities screening document will end June~~
 357.9 ~~30, 2002.~~

357.10 (b) The county of financial responsibility must act on a variable rate request within 30
 357.11 days and notify the initiator of the request of the county's recommendation in writing.

357.12 ~~(b)~~ (c) A variable rate may be recommended by the county of financial responsibility
 357.13 for increased needs in the following situations:

357.14 (1) a need for resources due to an individual's full or partial retirement from participation
 357.15 in a day training and habilitation service when the individual: (i) has reached the age of 65
 357.16 or has a change in health condition that makes it difficult for the person to participate in
 357.17 day training and habilitation services over an extended period of time because it is medically
 357.18 contraindicated; and (ii) has expressed a desire for change through the developmental
 357.19 disability screening process under section 256B.092;

357.20 (2) a need for additional resources for intensive short-term programming ~~which~~ that is
 357.21 necessary prior to an individual's discharge to a less restrictive, more integrated setting;

357.22 (3) a demonstrated medical need that significantly impacts the type or amount of services
 357.23 needed by the individual; ~~or~~

357.24 (4) a demonstrated behavioral or cognitive need that significantly impacts the type or
 357.25 amount of services needed by the individual; or

357.26 ~~(e) The county of financial responsibility must justify the purpose, the projected length~~
 357.27 ~~of time, and the additional funding needed for the facility to meet the needs of the individual.~~

357.28 ~~(d) The facility shall provide an annual report to the county case manager on the use of~~
 357.29 ~~the variable rate funds and the status of the individual on whose behalf the funds were~~
 357.30 ~~approved. The county case manager will forward the facility's report with a recommendation~~
 357.31 ~~to the commissioner to approve or disapprove a continuation of the variable rate.~~

358.1 ~~(e) Funds made available through the variable rate process that are not used by the facility~~
 358.2 ~~to meet the needs of the individual for whom they were approved shall be returned to the~~
 358.3 ~~state.~~

358.4 (5) a demonstrated increased need for staff assistance, changes in the type of staff
 358.5 credentials needed, or a need for expert consultation based on assessments conducted prior
 358.6 to the annual support plan meeting.

358.7 (d) Variable rate requests must include the following information:

358.8 (1) the service needs change;

358.9 (2) the variable rate requested and the difference from the current rate;

358.10 (3) a basis for the underlying costs used for the variable rate and any accompanying
 358.11 documentation; and

358.12 (4) documentation of the expected outcomes to be achieved and the frequency of progress
 358.13 monitoring associated with the rate increase.

358.14 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
 358.15 whichever is later. The commissioner of human services shall inform the revisor of statutes
 358.16 when federal approval is obtained.

358.17 Sec. 46. Minnesota Statutes 2020, section 256B.5013, subdivision 6, is amended to read:

358.18 Subd. 6. **Commissioner's responsibilities.** The commissioner shall:

358.19 (1) make a determination to approve, deny, or modify a request for a variable rate
 358.20 adjustment within 30 days of the receipt of the completed application;

358.21 (2) notify the ICF/DD facility and county case manager of the ~~duration and conditions~~
 358.22 ~~of variable rate adjustment approvals~~ determination; and

358.23 (3) modify MMIS II service agreements to reimburse ICF/DD facilities for approved
 358.24 variable rates.

358.25 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
 358.26 whichever is later. The commissioner of human services shall inform the revisor of statutes
 358.27 when federal approval is obtained.

358.28 Sec. 47. Minnesota Statutes 2020, section 256B.5015, subdivision 2, is amended to read:

358.29 Subd. 2. **Services during the day.** (a) Services during the day, as defined in section
 358.30 256B.501, but excluding day training and habilitation services, shall be paid as a pass-through

359.1 payment ~~no later than January 1, 2004~~. The commissioner shall establish rates for these
 359.2 services, other than day training and habilitation services, at ~~levels that do not exceed 75~~
 359.3 100 percent of a recipient's day training and habilitation service costs prior to the service
 359.4 change.

359.5 (b) An individual qualifies for services during the day under paragraph (a) if, through
 359.6 consultation with the individual and the individual's support team or interdisciplinary team:

359.7 (1) it has been determined that the individual's needs can best be met through partial or
 359.8 full retirement from:

359.9 (i) participation in a day training and habilitation service; or

359.10 (ii) the use of services during the day in the individual's home environment; and

359.11 (2) an individualized plan has been developed with designated outcomes that:

359.12 (i) address the support needs and desires contained in the person-centered plan or
 359.13 individual support plan; and

359.14 (ii) include goals that focus on community integration as appropriate for the individual.

359.15 (c) When establishing a rate for these services, the commissioner shall also consider an
 359.16 individual recipient's needs as identified in the ~~individualized service~~ individual support
 359.17 plan and the person's need for active treatment as defined under federal regulations. The
 359.18 pass-through payments for services during the day shall be paid separately by the
 359.19 commissioner and shall not be included in the computation of the ICF/DD facility total
 359.20 payment rate.

359.21 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
 359.22 whichever is later. The commissioner of human services shall inform the revisor of statutes
 359.23 when federal approval is obtained.

359.24 Sec. 48. Minnesota Statutes 2020, section 256B.69, subdivision 5a, as amended by Laws
 359.25 2021, chapter 30, article 13, section 57, is amended to read:

359.26 Subd. 5a. **Managed care contracts.** (a) Managed care contracts under this section and
 359.27 section 256L.12 shall be entered into or renewed on a calendar year basis. The commissioner
 359.28 may issue separate contracts with requirements specific to services to medical assistance
 359.29 recipients age 65 and older.

359.30 (b) A prepaid health plan providing covered health services for eligible persons pursuant
 359.31 to chapters 256B and 256L is responsible for complying with the terms of its contract with
 359.32 the commissioner. Requirements applicable to managed care programs under chapters 256B

360.1 and 256L established after the effective date of a contract with the commissioner take effect
360.2 when the contract is next issued or renewed.

360.3 (c) The commissioner shall withhold five percent of managed care plan payments under
360.4 this section and county-based purchasing plan payments under section 256B.692 for the
360.5 prepaid medical assistance program pending completion of performance targets. Each
360.6 performance target must be quantifiable, objective, measurable, and reasonably attainable,
360.7 except in the case of a performance target based on a federal or state law or rule. Criteria
360.8 for assessment of each performance target must be outlined in writing prior to the contract
360.9 effective date. Clinical or utilization performance targets and their related criteria must
360.10 consider evidence-based research and reasonable interventions when available or applicable
360.11 to the populations served, and must be developed with input from external clinical experts
360.12 and stakeholders, including managed care plans, county-based purchasing plans, and
360.13 providers. The managed care or county-based purchasing plan must demonstrate, to the
360.14 commissioner's satisfaction, that the data submitted regarding attainment of the performance
360.15 target is accurate. The commissioner shall periodically change the administrative measures
360.16 used as performance targets in order to improve plan performance across a broader range
360.17 of administrative services. The performance targets must include measurement of plan
360.18 efforts to contain spending on health care services and administrative activities. The
360.19 commissioner may adopt plan-specific performance targets that take into account factors
360.20 affecting only one plan, including characteristics of the plan's enrollee population. The
360.21 withheld funds must be returned no sooner than July of the following year if performance
360.22 targets in the contract are achieved. The commissioner may exclude special demonstration
360.23 projects under subdivision 23.

360.24 (d) The commissioner shall require that managed care plans:

360.25 (1) use the assessment and authorization processes, forms, timelines, standards,
360.26 documentation, and data reporting requirements, protocols, billing processes, and policies
360.27 consistent with medical assistance fee-for-service or the Department of Human Services
360.28 contract requirements for all personal care assistance services under section 256B.0659 and
360.29 community first services and supports under section 256B.85; and

360.30 (2) by January 30 of each year that follows a rate increase for any aspect of services
360.31 under section 256B.0659 or 256B.85, inform the commissioner and the chairs and ranking
360.32 minority members of the legislative committees with jurisdiction over rates determined
360.33 under section 256B.851 of the amount of the rate increase that is paid to each personal care
360.34 assistance provider agency with which the plan has a contract.

361.1 (e) Effective for services rendered on or after January 1, 2012, the commissioner shall
361.2 include as part of the performance targets described in paragraph (c) a reduction in the health
361.3 plan's emergency department utilization rate for medical assistance and MinnesotaCare
361.4 enrollees, as determined by the commissioner. For 2012, the reduction shall be based on
361.5 the health plan's utilization in 2009. To earn the return of the withhold each subsequent
361.6 year, the managed care plan or county-based purchasing plan must achieve a qualifying
361.7 reduction of no less than ten percent of the plan's emergency department utilization rate for
361.8 medical assistance and MinnesotaCare enrollees, excluding enrollees in programs described
361.9 in subdivisions 23 and 28, compared to the previous measurement year until the final
361.10 performance target is reached. When measuring performance, the commissioner must
361.11 consider the difference in health risk in a managed care or county-based purchasing plan's
361.12 membership in the baseline year compared to the measurement year, and work with the
361.13 managed care or county-based purchasing plan to account for differences that they agree
361.14 are significant.

361.15 The withheld funds must be returned no sooner than July 1 and no later than July 31 of
361.16 the following calendar year if the managed care plan or county-based purchasing plan
361.17 demonstrates to the satisfaction of the commissioner that a reduction in the utilization rate
361.18 was achieved. The commissioner shall structure the withhold so that the commissioner
361.19 returns a portion of the withheld funds in amounts commensurate with achieved reductions
361.20 in utilization less than the targeted amount.

361.21 The withhold described in this paragraph shall continue for each consecutive contract
361.22 period until the plan's emergency room utilization rate for state health care program enrollees
361.23 is reduced by 25 percent of the plan's emergency room utilization rate for medical assistance
361.24 and MinnesotaCare enrollees for calendar year 2009. Hospitals shall cooperate with the
361.25 health plans in meeting this performance target and shall accept payment withholds that
361.26 may be returned to the hospitals if the performance target is achieved.

361.27 (f) Effective for services rendered on or after January 1, 2012, the commissioner shall
361.28 include as part of the performance targets described in paragraph (c) a reduction in the plan's
361.29 hospitalization admission rate for medical assistance and MinnesotaCare enrollees, as
361.30 determined by the commissioner. To earn the return of the withhold each year, the managed
361.31 care plan or county-based purchasing plan must achieve a qualifying reduction of no less
361.32 than five percent of the plan's hospital admission rate for medical assistance and
361.33 MinnesotaCare enrollees, excluding enrollees in programs described in subdivisions 23 and
361.34 28, compared to the previous calendar year until the final performance target is reached.
361.35 When measuring performance, the commissioner must consider the difference in health risk

362.1 in a managed care or county-based purchasing plan's membership in the baseline year
362.2 compared to the measurement year, and work with the managed care or county-based
362.3 purchasing plan to account for differences that they agree are significant.

362.4 The withheld funds must be returned no sooner than July 1 and no later than July 31 of
362.5 the following calendar year if the managed care plan or county-based purchasing plan
362.6 demonstrates to the satisfaction of the commissioner that this reduction in the hospitalization
362.7 rate was achieved. The commissioner shall structure the withhold so that the commissioner
362.8 returns a portion of the withheld funds in amounts commensurate with achieved reductions
362.9 in utilization less than the targeted amount.

362.10 The withhold described in this paragraph shall continue until there is a 25 percent
362.11 reduction in the hospital admission rate compared to the hospital admission rates in calendar
362.12 year 2011, as determined by the commissioner. The hospital admissions in this performance
362.13 target do not include the admissions applicable to the subsequent hospital admission
362.14 performance target under paragraph (g). Hospitals shall cooperate with the plans in meeting
362.15 this performance target and shall accept payment withholds that may be returned to the
362.16 hospitals if the performance target is achieved.

362.17 (g) Effective for services rendered on or after January 1, 2012, the commissioner shall
362.18 include as part of the performance targets described in paragraph (c) a reduction in the plan's
362.19 hospitalization admission rates for subsequent hospitalizations within 30 days of a previous
362.20 hospitalization of a patient regardless of the reason, for medical assistance and MinnesotaCare
362.21 enrollees, as determined by the commissioner. To earn the return of the withhold each year,
362.22 the managed care plan or county-based purchasing plan must achieve a qualifying reduction
362.23 of the subsequent hospitalization rate for medical assistance and MinnesotaCare enrollees,
362.24 excluding enrollees in programs described in subdivisions 23 and 28, of no less than five
362.25 percent compared to the previous calendar year until the final performance target is reached.

362.26 The withheld funds must be returned no sooner than July 1 and no later than July 31 of
362.27 the following calendar year if the managed care plan or county-based purchasing plan
362.28 demonstrates to the satisfaction of the commissioner that a qualifying reduction in the
362.29 subsequent hospitalization rate was achieved. The commissioner shall structure the withhold
362.30 so that the commissioner returns a portion of the withheld funds in amounts commensurate
362.31 with achieved reductions in utilization less than the targeted amount.

362.32 The withhold described in this paragraph must continue for each consecutive contract
362.33 period until the plan's subsequent hospitalization rate for medical assistance and
362.34 MinnesotaCare enrollees, excluding enrollees in programs described in subdivisions 23 and

363.1 28, is reduced by 25 percent of the plan's subsequent hospitalization rate for calendar year
363.2 2011. Hospitals shall cooperate with the plans in meeting this performance target and shall
363.3 accept payment withholds that must be returned to the hospitals if the performance target
363.4 is achieved.

363.5 (h) Effective for services rendered on or after January 1, 2013, through December 31,
363.6 2013, the commissioner shall withhold 4.5 percent of managed care plan payments under
363.7 this section and county-based purchasing plan payments under section 256B.692 for the
363.8 prepaid medical assistance program. The withheld funds must be returned no sooner than
363.9 July 1 and no later than July 31 of the following year. The commissioner may exclude
363.10 special demonstration projects under subdivision 23.

363.11 (i) Effective for services rendered on or after January 1, 2014, the commissioner shall
363.12 withhold three percent of managed care plan payments under this section and county-based
363.13 purchasing plan payments under section 256B.692 for the prepaid medical assistance
363.14 program. The withheld funds must be returned no sooner than July 1 and no later than July
363.15 31 of the following year. The commissioner may exclude special demonstration projects
363.16 under subdivision 23.

363.17 (j) A managed care plan or a county-based purchasing plan under section 256B.692 may
363.18 include as admitted assets under section 62D.044 any amount withheld under this section
363.19 that is reasonably expected to be returned.

363.20 (k) Contracts between the commissioner and a prepaid health plan are exempt from the
363.21 set-aside and preference provisions of section 16C.16, subdivisions 6, paragraph (a), and
363.22 7.

363.23 (l) The return of the withhold under paragraphs (h) and (i) is not subject to the
363.24 requirements of paragraph (c).

363.25 (m) Managed care plans and county-based purchasing plans shall maintain current and
363.26 fully executed agreements for all subcontractors, including bargaining groups, for
363.27 administrative services that are expensed to the state's public health care programs.
363.28 Subcontractor agreements determined to be material, as defined by the commissioner after
363.29 taking into account state contracting and relevant statutory requirements, must be in the
363.30 form of a written instrument or electronic document containing the elements of offer,
363.31 acceptance, consideration, payment terms, scope, duration of the contract, and how the
363.32 subcontractor services relate to state public health care programs. Upon request, the
363.33 commissioner shall have access to all subcontractor documentation under this paragraph.

364.1 Nothing in this paragraph shall allow release of information that is nonpublic data pursuant
364.2 to section 13.02.

364.3 **EFFECTIVE DATE.** This section is effective October 1, 2021.

364.4 Sec. 49. Minnesota Statutes 2020, section 256B.85, subdivision 2, as amended by Laws
364.5 2021, chapter 30, article 13, section 59, is amended to read:

364.6 Subd. 2. **Definitions.** (a) For the purposes of this section and section 256B.851, the terms
364.7 defined in this subdivision have the meanings given.

364.8 (b) "Activities of daily living" or "ADLs" means:

364.9 (1) dressing, including assistance with choosing, applying, and changing clothing and
364.10 applying special appliances, wraps, or clothing;

364.11 (2) grooming, including assistance with basic hair care, oral care, shaving, applying
364.12 cosmetics and deodorant, and care of eyeglasses and hearing aids. Grooming includes nail
364.13 care, except for recipients who are diabetic or have poor circulation;

364.14 (3) bathing, including assistance with basic personal hygiene and skin care;

364.15 (4) eating, including assistance with hand washing and applying orthotics required for
364.16 eating, transfers, or feeding;

364.17 (5) transfers, including assistance with transferring the participant from one seating or
364.18 reclining area to another;

364.19 (6) mobility, including assistance with ambulation and use of a wheelchair. Mobility
364.20 does not include providing transportation for a participant;

364.21 (7) positioning, including assistance with positioning or turning a participant for necessary
364.22 care and comfort; and

364.23 (8) toileting, including assistance with bowel or bladder elimination and care, transfers,
364.24 mobility, positioning, feminine hygiene, use of toileting equipment or supplies, cleansing
364.25 the perineal area, inspection of the skin, and adjusting clothing.

364.26 (c) "Agency-provider model" means a method of CFSS under which a qualified agency
364.27 provides services and supports through the agency's own employees and policies. The agency
364.28 must allow the participant to have a significant role in the selection and dismissal of support
364.29 workers of their choice for the delivery of their specific services and supports.

365.1 (d) "Behavior" means a description of a need for services and supports used to determine
365.2 the home care rating and additional service units. The presence of Level I behavior is used
365.3 to determine the home care rating.

365.4 (e) "Budget model" means a service delivery method of CFSS that allows the use of a
365.5 service budget and assistance from a financial management services (FMS) provider for a
365.6 participant to directly employ support workers and purchase supports and goods.

365.7 (f) "Complex health-related needs" means an intervention listed in clauses (1) to (8) that
365.8 has been ordered by a physician, advanced practice registered nurse, or physician's assistant
365.9 and is specified in a community support plan, including:

365.10 (1) tube feedings requiring:

365.11 (i) a gastrojejunostomy tube; or

365.12 (ii) continuous tube feeding lasting longer than 12 hours per day;

365.13 (2) wounds described as:

365.14 (i) stage III or stage IV;

365.15 (ii) multiple wounds;

365.16 (iii) requiring sterile or clean dressing changes or a wound vac; or

365.17 (iv) open lesions such as burns, fistulas, tube sites, or ostomy sites that require specialized
365.18 care;

365.19 (3) parenteral therapy described as:

365.20 (i) IV therapy more than two times per week lasting longer than four hours for each
365.21 treatment; or

365.22 (ii) total parenteral nutrition (TPN) daily;

365.23 (4) respiratory interventions, including:

365.24 (i) oxygen required more than eight hours per day;

365.25 (ii) respiratory vest more than one time per day;

365.26 (iii) bronchial drainage treatments more than two times per day;

365.27 (iv) sterile or clean suctioning more than six times per day;

365.28 (v) dependence on another to apply respiratory ventilation augmentation devices such
365.29 as BiPAP and CPAP; and

- 366.1 (vi) ventilator dependence under section 256B.0651;
- 366.2 (5) insertion and maintenance of catheter, including:
- 366.3 (i) sterile catheter changes more than one time per month;
- 366.4 (ii) clean intermittent catheterization, and including self-catheterization more than six
- 366.5 times per day; or
- 366.6 (iii) bladder irrigations;
- 366.7 (6) bowel program more than two times per week requiring more than 30 minutes to
- 366.8 perform each time;
- 366.9 (7) neurological intervention, including:
- 366.10 (i) seizures more than two times per week and requiring significant physical assistance
- 366.11 to maintain safety; or
- 366.12 (ii) swallowing disorders diagnosed by a physician, advanced practice registered nurse,
- 366.13 or physician's assistant and requiring specialized assistance from another on a daily basis;
- 366.14 and
- 366.15 (8) other congenital or acquired diseases creating a need for significantly increased direct
- 366.16 hands-on assistance and interventions in six to eight activities of daily living.
- 366.17 (g) "Community first services and supports" or "CFSS" means the assistance and supports
- 366.18 program under this section needed for accomplishing activities of daily living, instrumental
- 366.19 activities of daily living, and health-related tasks through hands-on assistance to accomplish
- 366.20 the task or constant supervision and cueing to accomplish the task, or the purchase of goods
- 366.21 as defined in subdivision 7, clause (3), that replace the need for human assistance.
- 366.22 (h) "Community first services and supports service delivery plan" or "CFSS service
- 366.23 delivery plan" means a written document detailing the services and supports chosen by the
- 366.24 participant to meet assessed needs that are within the approved CFSS service authorization,
- 366.25 as determined in subdivision 8. Services and supports are based on the coordinated service
- 366.26 and support plan identified in sections 256B.092, subdivision 1b, and 256S.10.
- 366.27 (i) "Consultation services" means a Minnesota health care program enrolled provider
- 366.28 organization that provides assistance to the participant in making informed choices about
- 366.29 CFSS services in general and self-directed tasks in particular, and in developing a
- 366.30 person-centered CFSS service delivery plan to achieve quality service outcomes.
- 366.31 (j) "Critical activities of daily living" means transferring, mobility, eating, and toileting.

367.1 (k) "Dependency" in activities of daily living means a person requires hands-on assistance
367.2 or constant supervision and cueing to accomplish one or more of the activities of daily living
367.3 every day or on the days during the week that the activity is performed; however, a child
367.4 must not be found to be dependent in an activity of daily living if, because of the child's
367.5 age, an adult would either perform the activity for the child or assist the child with the
367.6 activity and the assistance needed is the assistance appropriate for a typical child of the
367.7 same age.

367.8 (l) "Extended CFSS" means CFSS services and supports provided under CFSS that are
367.9 included in the CFSS service delivery plan through one of the home and community-based
367.10 services waivers and as approved and authorized under chapter 256S and sections 256B.092,
367.11 subdivision 5, and 256B.49, which exceed the amount, duration, and frequency of the state
367.12 plan CFSS services for participants. Extended CFSS excludes the purchase of goods.

367.13 (m) "Financial management services provider" or "FMS provider" means a qualified
367.14 organization required for participants using the budget model under subdivision 13 that is
367.15 an enrolled provider with the department to provide vendor fiscal/employer agent financial
367.16 management services (FMS).

367.17 (n) "Health-related procedures and tasks" means procedures and tasks related to the
367.18 specific assessed health needs of a participant that can be taught or assigned by a
367.19 state-licensed health care or mental health professional and performed by a support worker.

367.20 (o) "Instrumental activities of daily living" means activities related to living independently
367.21 in the community, including but not limited to: meal planning, preparation, and cooking;
367.22 shopping for food, clothing, or other essential items; laundry; housecleaning; assistance
367.23 with medications; managing finances; communicating needs and preferences during activities;
367.24 arranging supports; and assistance with traveling around and participating in the community,
367.25 including traveling to medical appointments. For purposes of this paragraph, traveling
367.26 includes driving and accompanying the recipient in the recipient's chosen mode of
367.27 transportation and according to the individual CFSS service delivery plan.

367.28 (p) "Lead agency" has the meaning given in section 256B.0911, subdivision 1a, paragraph
367.29 (e).

367.30 (q) "Legal representative" means parent of a minor, a court-appointed guardian, or
367.31 another representative with legal authority to make decisions about services and supports
367.32 for the participant. Other representatives with legal authority to make decisions include but
367.33 are not limited to a health care agent or an attorney-in-fact authorized through a health care
367.34 directive or power of attorney.

368.1 (r) "Level I behavior" means physical aggression toward self or others or destruction of
368.2 property that requires the immediate response of another person.

368.3 (s) "Medication assistance" means providing verbal or visual reminders to take regularly
368.4 scheduled medication, and includes any of the following supports listed in clauses (1) to
368.5 (3) and other types of assistance, except that a support worker must not determine medication
368.6 dose or time for medication or inject medications into veins, muscles, or skin:

368.7 (1) under the direction of the participant or the participant's representative, bringing
368.8 medications to the participant including medications given through a nebulizer, opening a
368.9 container of previously set-up medications, emptying the container into the participant's
368.10 hand, opening and giving the medication in the original container to the participant, or
368.11 bringing to the participant liquids or food to accompany the medication;

368.12 (2) organizing medications as directed by the participant or the participant's representative;
368.13 and

368.14 (3) providing verbal or visual reminders to perform regularly scheduled medications.

368.15 (t) "Participant" means a person who is eligible for CFSS.

368.16 (u) "Participant's representative" means a parent, family member, advocate, or other
368.17 adult authorized by the participant or participant's legal representative, if any, to serve as a
368.18 representative in connection with the provision of CFSS. If the participant is unable to assist
368.19 in the selection of a participant's representative, the legal representative shall appoint one.

368.20 (v) "Person-centered planning process" means a process that is directed by the participant
368.21 to plan for CFSS services and supports.

368.22 (w) "Service budget" means the authorized dollar amount used for the budget model or
368.23 for the purchase of goods.

368.24 (x) "Shared services" means the provision of CFSS services by the same CFSS support
368.25 worker to two or three participants who voluntarily enter into a written agreement to receive
368.26 services at the same time, in the same setting, and through the same agency-provider or
368.27 FMS provider.

368.28 (y) "Support worker" means a qualified and trained employee of the agency-provider
368.29 as required by subdivision 11b or of the participant employer under the budget model as
368.30 required by subdivision 14 who has direct contact with the participant and provides services
368.31 as specified within the participant's CFSS service delivery plan.

369.1 (z) "Unit" means the increment of service based on hours or minutes identified in the
369.2 service agreement.

369.3 (aa) "Vendor fiscal employer agent" means an agency that provides financial management
369.4 services.

369.5 (bb) "Wages and benefits" means the hourly wages and salaries, the employer's share
369.6 of FICA taxes, Medicare taxes, state and federal unemployment taxes, workers' compensation,
369.7 mileage reimbursement, health and dental insurance, life insurance, disability insurance,
369.8 long-term care insurance, uniform allowance, contributions to employee retirement accounts,
369.9 or other forms of employee compensation and benefits.

369.10 (cc) "Worker training and development" means services provided according to subdivision
369.11 18a for developing workers' skills as required by the participant's individual CFSS service
369.12 delivery plan that are arranged for or provided by the agency-provider or purchased by the
369.13 participant employer. These services include training, education, direct observation and
369.14 supervision, and evaluation and coaching of job skills and tasks, including supervision of
369.15 health-related tasks or behavioral supports.

369.16 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
369.17 whichever is later, except paragraph (a) is effective October 1, 2021, or upon federal approval,
369.18 whichever is later. The commissioner of human services must notify the revisor of statutes
369.19 when federal approval is obtained.

369.20 Sec. 50. Minnesota Statutes 2020, section 256B.85, subdivision 7a, is amended to read:

369.21 Subd. 7a. **Enhanced rate.** An enhanced rate of 107.5 percent of the rate paid for CFSS
369.22 must be paid for services provided to persons who qualify for ~~12~~ ten or more hours of CFSS
369.23 per day when provided by a support worker who meets the requirements of subdivision 16,
369.24 paragraph (e). ~~The enhanced rate for CFSS includes, and is not in addition to, any rate~~
369.25 ~~adjustments implemented by the commissioner on July 1, 2019, to comply with the terms~~
369.26 ~~of a collective bargaining agreement between the state of Minnesota and an exclusive~~
369.27 ~~representative of individual providers under section 179A.54 that provides for wage increases~~
369.28 ~~for individual providers who serve participants assessed to need 12 or more hours of CFSS~~
369.29 ~~per day.~~ Any change in the eligibility criteria for the enhanced rate for CFSS as described
369.30 in this subdivision and referenced in subdivision 16, paragraph (e), does not constitute a
369.31 change in a term or condition for individual providers as defined in section 256B.0711, and
369.32 is not subject to the state's obligation to meet and negotiate under chapter 179A.

370.1 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
370.2 whichever occurs later. The commissioner shall notify the revisor of statutes when federal
370.3 approval is obtained.

370.4 Sec. 51. Minnesota Statutes 2020, section 256B.85, subdivision 11, as amended by Laws
370.5 2021, chapter 30, article 13, section 69, is amended to read:

370.6 Subd. 11. **Agency-provider model.** (a) The agency-provider model includes services
370.7 provided by support workers and staff providing worker training and development services
370.8 who are employed by an agency-provider that meets the criteria established by the
370.9 commissioner, including required training.

370.10 (b) The agency-provider shall allow the participant to have a significant role in the
370.11 selection and dismissal of the support workers for the delivery of the services and supports
370.12 specified in the participant's CFSS service delivery plan. The agency must make a reasonable
370.13 effort to fulfill the participant's request for the participant's preferred support worker.

370.14 (c) A participant may use authorized units of CFSS services as needed within a service
370.15 agreement that is not greater than 12 months. Using authorized units in a flexible manner
370.16 in either the agency-provider model or the budget model does not increase the total amount
370.17 of services and supports authorized for a participant or included in the participant's CFSS
370.18 service delivery plan.

370.19 (d) A participant may share CFSS services. Two or three CFSS participants may share
370.20 services at the same time provided by the same support worker.

370.21 (e) The agency-provider must use a minimum of 72.5 percent of the revenue generated
370.22 by the medical assistance payment for CFSS for support worker wages and benefits, except
370.23 all of the revenue generated by a medical assistance rate increase due to a collective
370.24 bargaining agreement under section 179A.54 must be used for support worker wages and
370.25 benefits. The agency-provider must document how this requirement is being met. The
370.26 revenue generated by the worker training and development services and the reasonable costs
370.27 associated with the worker training and development services must not be used in making
370.28 this calculation.

370.29 (f) The agency-provider model must be used by participants who are restricted by the
370.30 Minnesota restricted recipient program under Minnesota Rules, parts 9505.2160 to
370.31 9505.2245.

370.32 (g) Participants purchasing goods under this model, along with support worker services,
370.33 must:

371.1 (1) specify the goods in the CFSS service delivery plan and detailed budget for
 371.2 expenditures that must be approved by the consultation services provider, case manager, or
 371.3 care coordinator; and

371.4 (2) use the FMS provider for the billing and payment of such goods.

371.5 (h) The agency provider is responsible for ensuring that any worker driving a participant
 371.6 under subdivision 2, paragraph (o), has a valid driver's license and the vehicle used is
 371.7 registered and insured according to Minnesota law.

371.8 Sec. 52. Minnesota Statutes 2020, section 256B.85, is amended by adding a subdivision
 371.9 to read:

371.10 Subd. 12c. **Community first services and supports agency provider requirements;**
 371.11 **documentation of travel time.** A community first services and supports agency provider
 371.12 must ensure that travel and driving, as described in subdivision 2, paragraph (o), is
 371.13 documented. The documentation must include:

371.14 (1) start and stop times with a.m. and p.m. designation;

371.15 (2) the origination site; and

371.16 (3) the destination site.

371.17 Sec. 53. Minnesota Statutes 2020, section 256B.85, subdivision 14, is amended to read:

371.18 Subd. 14. **Participant's responsibilities.** (a) The participant or participant's representative
 371.19 is responsible for:

371.20 (1) orienting support workers to individual needs and preferences and providing direction
 371.21 during the delivery of services;

371.22 (2) tracking the services provided and all expenditures for goods or other supports;

371.23 (3) preparing, verifying, and submitting time sheets according to the requirements in
 371.24 subdivision 15;

371.25 (4) reporting any problems resulting from the failure of the CFSS service delivery plan
 371.26 to be implemented or the quality of services rendered by the support worker to the
 371.27 agency-provider, consultation services provider, FMS provider, and case manager or care
 371.28 coordinator if applicable;

372.1 (5) notifying the agency-provider or the FMS provider within ten days of any changes
372.2 in circumstances affecting the CFSS service delivery plan, including but not limited to
372.3 changes in the participant's place of residence or hospitalization; and

372.4 (6) under the agency-provider model, participating in the evaluation of CFSS services
372.5 and support workers according to subdivision 11a.

372.6 (b) For a participant using the budget model, the participant or participant's representative
372.7 is responsible for:

372.8 (1) using an FMS provider that is enrolled with the department. Upon a determination
372.9 of eligibility and completion of the assessment and coordinated service and support plan,
372.10 the participant shall choose an FMS provider from a list of eligible providers maintained
372.11 by the department;

372.12 (2) complying with policies and procedures of the FMS provider as required to meet
372.13 state and federal regulations for CFSS and the employment of support workers;

372.14 (3) the hiring and supervision of the support worker, including but not limited to
372.15 recruiting, interviewing, training, scheduling, and discharging the support worker consistent
372.16 with federal and state laws and regulations;

372.17 (4) notifying the FMS provider of any changes in the employment status of each support
372.18 worker;

372.19 (5) ensuring that support workers are competent to meet the participant's assessed needs
372.20 and additional requirements as written in the CFSS service delivery plan;

372.21 (6) determining the competency of the support worker through evaluation within 30
372.22 days of any support worker beginning to provide services and with any change in the
372.23 participant's condition or modification to the CFSS service delivery plan;

372.24 (7) verifying and maintaining evidence of support worker competency, including
372.25 documentation of the support worker's:

372.26 (i) education and experience relevant to the job responsibilities assigned to the support
372.27 worker and the needs of the participant;

372.28 (ii) training received from sources other than the participant;

372.29 (iii) orientation and instruction to implement defined services and supports to meet
372.30 participant needs and preferences as detailed in the CFSS service delivery plan; and

372.31 (iv) periodic written performance reviews completed by the participant at least annually
372.32 based on the direct observation of the support worker's ability to perform the job functions;

373.1 (8) developing and communicating to each support worker a worker training and
 373.2 development plan to ensure the support worker is competent when:

373.3 (i) the support worker begins providing services;

373.4 (ii) there is any change in the participant's condition or modification to the CFSS service
 373.5 delivery plan; or

373.6 (iii) a performance review indicates that additional training is needed; ~~and~~

373.7 (9) participating in the evaluation of CFSS services; and

373.8 (10) ensuring that a worker driving the participant under subdivision 2, paragraph (o),
 373.9 has a valid driver's license and the vehicle used is registered and insured according to
 373.10 Minnesota law.

373.11 Sec. 54. Minnesota Statutes 2020, section 256B.85, subdivision 16, is amended to read:

373.12 Subd. 16. **Support workers requirements.** (a) Support workers shall:

373.13 (1) enroll with the department as a support worker after a background study under chapter
 373.14 245C has been completed and the support worker has received a notice from the
 373.15 commissioner that the support worker:

373.16 (i) is not disqualified under section 245C.14; or

373.17 (ii) is disqualified, but has received a set-aside of the disqualification under section
 373.18 245C.22;

373.19 (2) have the ability to effectively communicate with the participant or the participant's
 373.20 representative;

373.21 (3) have the skills and ability to provide the services and supports according to the
 373.22 participant's CFSS service delivery plan and respond appropriately to the participant's needs;

373.23 (4) complete the basic standardized CFSS training as determined by the commissioner
 373.24 before completing enrollment. The training must be available in languages other than English
 373.25 and to those who need accommodations due to disabilities. CFSS support worker training
 373.26 must include successful completion of the following training components: basic first aid,
 373.27 vulnerable adult, child maltreatment, OSHA universal precautions, basic roles and
 373.28 responsibilities of support workers including information about basic body mechanics,
 373.29 emergency preparedness, orientation to positive behavioral practices, orientation to
 373.30 responding to a mental health crisis, fraud issues, time cards and documentation, and an
 373.31 overview of person-centered planning and self-direction. Upon completion of the training

374.1 components, the support worker must pass the certification test to provide assistance to
374.2 participants;

374.3 (5) complete employer-directed training and orientation on the participant's individual
374.4 needs;

374.5 (6) maintain the privacy and confidentiality of the participant; and

374.6 (7) not independently determine the medication dose or time for medications for the
374.7 participant.

374.8 (b) The commissioner may deny or terminate a support worker's provider enrollment
374.9 and provider number if the support worker:

374.10 (1) does not meet the requirements in paragraph (a);

374.11 (2) fails to provide the authorized services required by the employer;

374.12 (3) has been intoxicated by alcohol or drugs while providing authorized services to the
374.13 participant or while in the participant's home;

374.14 (4) has manufactured or distributed drugs while providing authorized services to the
374.15 participant or while in the participant's home; or

374.16 (5) has been excluded as a provider by the commissioner of human services, or by the
374.17 United States Department of Health and Human Services, Office of Inspector General, from
374.18 participation in Medicaid, Medicare, or any other federal health care program.

374.19 (c) A support worker may appeal in writing to the commissioner to contest the decision
374.20 to terminate the support worker's provider enrollment and provider number.

374.21 (d) A support worker must not provide or be paid for more than 310 hours of CFSS per
374.22 month, regardless of the number of participants the support worker serves or the number
374.23 of agency-providers or participant employers by which the support worker is employed.
374.24 The department shall not disallow the number of hours per day a support worker works
374.25 unless it violates other law.

374.26 (e) CFSS qualify for an enhanced rate if the support worker providing the services:

374.27 (1) provides services, within the scope of CFSS described in subdivision 7, to a participant
374.28 who qualifies for ~~12~~ ten or more hours per day of CFSS; and

374.29 (2) satisfies the current requirements of Medicare for training and competency or
374.30 competency evaluation of home health aides or nursing assistants, as provided in the Code

375.1 of Federal Regulations, title 42, section 483.151 or 484.36, or alternative state-approved
375.2 training or competency requirements.

375.3 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
375.4 whichever occurs later. The commissioner shall notify the revisor of statutes when federal
375.5 approval is obtained.

375.6 Sec. 55. **[256B.851] COMMUNITY FIRST SERVICES AND SUPPORTS; PAYMENT**
375.7 **RATES.**

375.8 Subdivision 1. **Application.** (a) The payment methodologies in this section apply to:

375.9 (1) community first services and supports (CFSS), extended CFSS, and enhanced rate
375.10 CFSS under section 256B.85; and

375.11 (2) personal care assistance services under section 256B.0625, subdivisions 19a and
375.12 19c; extended personal care assistance services as defined in section 256B.0659, subdivision
375.13 1; and enhanced rate personal care assistance services under section 256B.0659, subdivision
375.14 17a.

375.15 (b) This section does not change existing personal care assistance program or community
375.16 first services and supports policies and procedures.

375.17 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the
375.18 meanings given in section 256B.85, subdivision 2, and as follows.

375.19 (b) "Commissioner" means the commissioner of human services.

375.20 (c) "Component value" means an underlying factor that is built into the rate methodology
375.21 to calculate service rates and is part of the cost of providing services.

375.22 (d) "Payment rate" or "rate" means reimbursement to an eligible provider for services
375.23 provided to a qualified individual based on an approved service authorization.

375.24 Subd. 3. **Payment rates; base wage index.** When initially establishing the base wage
375.25 component values, the commissioner must use the Minnesota-specific median wage for the
375.26 standard occupational classification (SOC) codes published by the Bureau of Labor Statistics
375.27 in the edition of the Occupational Handbook available January 1, 2021. The commissioner
375.28 must calculate the base wage component values as follows for:

375.29 (1) personal care assistance services, CFSS, extended personal care assistance services,
375.30 and extended CFSS. The base wage component value equals the median wage for personal
375.31 care aide (SOC code 31-1120);

376.1 (2) enhanced rate personal care assistance services and enhanced rate CFSS. The base
376.2 wage component value equals the product of median wage for personal care aide (SOC
376.3 code 31-1120) and the value of the enhanced rate under section 256B.0659, subdivision
376.4 17a; and

376.5 (3) qualified professional services and CFSS worker training and development. The base
376.6 wage component value equals the sum of 70 percent of the median wage for registered nurse
376.7 (SOC code 29-1141), 15 percent of the median wage for health care social worker (SOC
376.8 code 21-1099), and 15 percent of the median wage for social and human service assistant
376.9 (SOC code 21-1093).

376.10 Subd. 4. **Payment rates; total wage index.** (a) The commissioner must multiply the
376.11 base wage component values in subdivision 3 by one plus the appropriate competitive
376.12 workforce factor. The product is the total wage component value.

376.13 (b) For personal care assistance services, CFSS, extended personal care assistance
376.14 services, extended CFSS, enhanced rate personal care assistance services, and enhanced
376.15 rate CFSS, the initial competitive workforce factor is 4.7 percent.

376.16 (c) For qualified professional services and CFSS worker training and development, the
376.17 competitive workforce factor is zero percent.

376.18 Subd. 5. **Payment rates; component values.** (a) The commissioner must use the
376.19 following component values:

376.20 (1) employee vacation, sick, and training factor, 8.71 percent;

376.21 (2) employer taxes and workers' compensation factor, 11.56 percent;

376.22 (3) employee benefits factor, 12.04 percent;

376.23 (4) client programming and supports factor, 2.30 percent;

376.24 (5) program plan support factor, 7.00 percent;

376.25 (6) general business and administrative expenses factor, 13.25 percent;

376.26 (7) program administration expenses factor, 2.90 percent; and

376.27 (8) absence and utilization factor, 3.90 percent.

376.28 (b) For purposes of implementation, the commissioner shall use the following
376.29 implementation components:

376.30 (1) personal care assistance services and CFSS: 75.45 percent;

377.1 (2) enhanced rate personal care assistance services and enhanced rate CFSS: 75.45
377.2 percent; and

377.3 (3) qualified professional services and CFSS worker training and development: 75.45
377.4 percent.

377.5 Subd. 6. **Payment rates; rate determination.** (a) The commissioner must determine
377.6 the rate for personal care assistance services, CFSS, extended personal care assistance
377.7 services, extended CFSS, enhanced rate personal care assistance services, enhanced rate
377.8 CFSS, qualified professional services, and CFSS worker training and development as
377.9 follows:

377.10 (1) multiply the appropriate total wage component value calculated in subdivision 4 by
377.11 one plus the employee vacation, sick, and training factor in subdivision 5;

377.12 (2) for program plan support, multiply the result of clause (1) by one plus the program
377.13 plan support factor in subdivision 5;

377.14 (3) for employee-related expenses, add the employer taxes and workers' compensation
377.15 factor in subdivision 5 and the employee benefits factor in subdivision 5. The sum is
377.16 employee-related expenses. Multiply the product of clause (2) by one plus the value for
377.17 employee-related expenses;

377.18 (4) for client programming and supports, multiply the product of clause (3) by one plus
377.19 the client programming and supports factor in subdivision 5;

377.20 (5) for administrative expenses, add the general business and administrative expenses
377.21 factor in subdivision 5, the program administration expenses factor in subdivision 5, and
377.22 the absence and utilization factor in subdivision 5;

377.23 (6) divide the result of clause (4) by one minus the result of clause (5). The quotient is
377.24 the hourly rate;

377.25 (7) multiply the hourly rate by the appropriate implementation component under
377.26 subdivision 5. This is the adjusted hourly rate; and

377.27 (8) divide the adjusted hourly rate by four. The quotient is the total adjusted payment
377.28 rate.

377.29 (b) The commissioner must publish the total adjusted payment rates.

377.30 Subd. 7. **Treatment of rate adjustments provided outside of cost components** Any
377.31 rate adjustments applied to the service rates calculated under this section outside of the cost
377.32 components and rate methodology specified in this section, including but not limited to

378.1 those implemented to enable participant-employers and provider agencies to meet the terms
378.2 and conditions of any collective bargaining agreement negotiated under chapter 179A, shall
378.3 be applied as changes to the value of component factors in subdivision 5.

378.4 Subd. 8. Personal care provider agency; required reporting of cost data; training. (a)
378.5 As determined by the commissioner and in consultation with stakeholders, agencies enrolled
378.6 to provide services with rates determined under this section must submit requested cost data
378.7 to the commissioner. The commissioner may request cost data, including but not limited
378.8 to:

378.9 (1) worker wage costs;

378.10 (2) benefits paid;

378.11 (3) supervisor wage costs;

378.12 (4) executive wage costs;

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

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

378.15 (7) administrative costs paid;

378.16 (8) program costs paid;

378.17 (9) transportation costs paid;

378.18 (10) staff vacancy rates; and

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

378.21 (b) At least once in any three-year period, a provider must submit the required cost data
378.22 for a fiscal year that ended not more than 18 months prior to the submission date. The
378.23 commissioner must provide each provider a 90-day notice prior to its submission due date.
378.24 If a provider fails to submit required cost data, the commissioner must provide notice to a
378.25 provider that has not provided required cost data 30 days after the required submission date
378.26 and a second notice to a provider that has not provided required cost data 60 days after the
378.27 required submission date. The commissioner must temporarily suspend payments to a
378.28 provider if the commissioner has not received required cost data 90 days after the required
378.29 submission date. The commissioner must make withheld payments when the required cost
378.30 data is received by the commissioner.

379.1 (c) The commissioner must conduct a random validation of data submitted under this
379.2 subdivision to ensure data accuracy. The commissioner shall analyze cost documentation
379.3 in paragraph (a) and provide recommendations for adjustments to cost components.

379.4 (d) The commissioner, in consultation with stakeholders, must develop and implement
379.5 a process for providing training and technical assistance necessary to support provider
379.6 submission of cost data required under this subdivision.

379.7 Subd. 9. **Analysis of costs; recommendations.** (a) The commissioner shall evaluate on
379.8 an ongoing basis whether the base wage component values and component values in this
379.9 section appropriately address the cost to provide the service.

379.10 (b) The commissioner shall analyze cost data submitted by provider agencies under
379.11 subdivision 8 and report recommendations on component values, updated base wage
379.12 component values, and competitive workforce factors to the chairs and ranking minority
379.13 members of the legislative committees and divisions with jurisdiction over human services
379.14 policy and finance every two years beginning August 1, 2026. The commissioner shall
379.15 release cost data in an aggregate form, and cost data from individual providers shall not be
379.16 released except as provided for in current law.

379.17 (c) Beginning August 1, 2024, and every two years thereafter, the commissioner shall
379.18 report recommendations to the chairs and ranking minority members of the legislative
379.19 committees and divisions with jurisdiction over health and human services policy and finance
379.20 to update the base wage index in subdivision 3, the competitive workforce factors in
379.21 subdivision 4, and the component values in subdivision 5 using the most recently available
379.22 data. In making recommendations, the commissioner shall:

379.23 (1) make adjustments to the competitive workforce factor toward the percent difference
379.24 between:

379.25 (i) the median wage for personal care aide (SOC code 31-1120); and

379.26 (ii) the weighted average wage for all other SOC codes with the same Bureau of Labor
379.27 Statistics classifications for education, experience, and training required for job competency;

379.28 (2) not recommend an increase or decrease of the competitive workforce factor from its
379.29 previous value of more than three percentage points;

379.30 (3) not recommend a competitive workforce factor of less than zero;

379.31 (4) make adjustments to the value of the base wage components based on the most
379.32 recently available federal wage data; and

380.1 (5) make adjustments to any component values affected by inflation, including but not
380.2 limited to the client programming and supports factor.

380.3 Subd. 10. **Payment rate evaluation; reports required.** The commissioner must assess
380.4 the long-term impacts of the rate methodology implementation on staff providing services
380.5 with rates determined under this section, including but not limited to measuring changes in
380.6 wages, benefits provided, hours worked, and retention. The commissioner must publish
380.7 evaluation findings in a report to the legislature by August 1, 2028, and once every two
380.8 years thereafter.

380.9 Subd. 11. **Self-directed services workforce.** Nothing in this section limits the
380.10 commissioner's authority over terms and conditions for individual providers in covered
380.11 programs as defined in section 256B.0711. The commissioner's authority over terms and
380.12 conditions for individual providers in covered programs remains subject to the state's
380.13 obligations to meet and negotiate under chapter 179A, as modified and made applicable to
380.14 individual providers under section 179A.54, and to agreements with any exclusive
380.15 representative of individual providers, as authorized by chapter 179A, as modified and made
380.16 applicable to individual providers under section 179A.54. A change in the rate for services
380.17 within the covered programs defined in section 256B.0711 does not constitute a change in
380.18 a term or condition for individual providers in covered programs and is not subject to the
380.19 state's obligation to meet and negotiate under chapter 179A.

380.20 **EFFECTIVE DATE.** This section is effective October 1, 2021, or upon federal approval,
380.21 whichever is later. The commissioner of human services must notify the revisor of statutes
380.22 when federal approval is obtained.

380.23 Sec. 56. Minnesota Statutes 2020, section 256I.05, subdivision 1c, is amended to read:

380.24 Subd. 1c. **Rate increases.** An agency may not increase the rates negotiated for housing
380.25 support above those in effect on June 30, 1993, except as provided in paragraphs (a) to (f).

380.26 (a) An agency may increase the rates for room and board to the MSA equivalent rate
380.27 for those settings whose current rate is below the MSA equivalent rate.

380.28 (b) An agency may increase the rates for residents in adult foster care whose difficulty
380.29 of care has increased. The total housing support rate for these residents must not exceed the
380.30 maximum rate specified in subdivisions 1 and 1a. Agencies must not include nor increase
380.31 difficulty of care rates for adults in foster care whose difficulty of care is eligible for funding
380.32 by home and community-based waiver programs under title XIX of the Social Security Act.

381.1 (c) An agency must increase the room and board rates ~~will be increased~~ each year when
381.2 the MSA equivalent rate is adjusted for SSI cost-of-living increases by the amount of the
381.3 annual SSI increase, less the amount of the increase in the medical assistance personal needs
381.4 allowance under section 256B.35.

381.5 (d) ~~When housing support pays for an individual's room and board, or other costs~~
381.6 ~~necessary to provide room and board, the rate payable to the residence must continue for~~
381.7 ~~up to 18 calendar days per incident that the person is temporarily absent from the residence,~~
381.8 ~~not to exceed 60 days in a calendar year, if the absence or absences are reported in advance~~
381.9 ~~to the county agency's social service staff. Advance reporting is not required for emergency~~
381.10 ~~absences due to crisis, illness, or injury.~~

381.11 (e) For An agency may increase the rates for residents in facilities meeting substantial
381.12 change criteria within the prior year. Substantial change criteria ~~exists~~ exist if the
381.13 establishment experiences a 25 percent increase or decrease in the total number of its beds,
381.14 if the net cost of capital additions or improvements is in excess of 15 percent of the current
381.15 market value of the residence, or if the residence physically moves, or changes its licensure,
381.16 and incurs a resulting increase in operation and property costs.

381.17 (f) ~~(e)~~ (e) Until June 30, 1994, an agency may increase by up to five percent the total rate
381.18 paid for recipients of assistance under sections 256D.01 to 256D.21 or 256D.33 to 256D.54
381.19 who reside in residences that are licensed by the commissioner of health as a boarding care
381.20 home, but are not certified for the purposes of the medical assistance program. However,
381.21 an increase under this clause must not exceed an amount equivalent to 65 percent of the
381.22 1991 medical assistance reimbursement rate for nursing home resident class A, in the
381.23 geographic grouping in which the facility is located, as established under Minnesota Rules,
381.24 parts 9549.0051 to 9549.0058.

381.25 (f) Notwithstanding the provisions of subdivision 1, an agency may increase the monthly
381.26 room and board rates by \$50 per month for residents in settings under section 256I.04,
381.27 subdivision 2a, paragraph (b), clause (2). Participants in the Minnesota supportive housing
381.28 demonstration program under section 256I.04, subdivision 3, paragraph (a), clause (3), may
381.29 not receive the increase under this paragraph.

381.30 **EFFECTIVE DATE.** This section is effective July 1, 2021, except paragraph (f) is
381.31 effective July 1, 2022.

382.1 Sec. 57. Minnesota Statutes 2020, section 256I.05, is amended by adding a subdivision
382.2 to read:

382.3 Subd. 2a. **Absent days.** (a) When a person receiving housing support is temporarily
382.4 absent and the absence is reported in advance to the agency's social service staff, the agency
382.5 must continue to pay on behalf of the person the applicable rate for housing support. Advance
382.6 reporting is not required for absences due to crisis, illness, or injury. The limit on payments
382.7 for absence days under this paragraph is 18 calendar days per incident, not to exceed 60
382.8 days in a calendar year.

382.9 (b) An agency must continue to pay an additional 74 days per incident, not to exceed a
382.10 total of 92 days in a calendar year, for a person who is temporarily absent due to admission
382.11 at a residential behavioral health facility, inpatient hospital, or nursing facility.

382.12 (c) If a person is temporarily absent due to admission at a residential behavioral health
382.13 facility, inpatient hospital, or nursing facility for a period of time exceeding the limits
382.14 described in paragraph (b), the agency may request in a format prescribed by the
382.15 commissioner an absence day limit exception to continue housing support payments until
382.16 the person is discharged.

382.17 **EFFECTIVE DATE.** This section is effective July 1, 2021.

382.18 Sec. 58. Minnesota Statutes 2020, section 256I.06, subdivision 8, is amended to read:

382.19 Subd. 8. **Amount of housing support payment.** (a) The amount of a room and board
382.20 payment to be made on behalf of an eligible individual is determined by subtracting the
382.21 individual's countable income under section 256I.04, subdivision 1, for a whole calendar
382.22 month from the room and board rate for that same month. The housing support payment is
382.23 determined by multiplying the housing support rate times the period of time the individual
382.24 was a resident or temporarily absent under section 256I.05, subdivision 1, ~~paragraph (d)~~
382.25 2a.

382.26 (b) For an individual with earned income under paragraph (a), prospective budgeting
382.27 must be used to determine the amount of the individual's payment for the following six-month
382.28 period. An increase in income shall not affect an individual's eligibility or payment amount
382.29 until the month following the reporting month. A decrease in income shall be effective the
382.30 first day of the month after the month in which the decrease is reported.

382.31 (c) For an individual who receives housing support payments under section 256I.04,
382.32 subdivision 1, paragraph (c), the amount of the housing support payment is determined by
382.33 multiplying the housing support rate times the period of time the individual was a resident.

383.1 **EFFECTIVE DATE.** This section is effective July 1, 2021.

383.2 Sec. 59. Minnesota Statutes 2020, section 256S.18, subdivision 7, is amended to read:

383.3 Subd. 7. **Monthly case mix budget cap exception.** The commissioner shall approve an
 383.4 exception to the monthly case mix budget cap in ~~paragraph (a)~~ subdivision 3 to account for
 383.5 the additional cost of providing enhanced rate personal care assistance services under section
 383.6 256B.0659 or enhanced rate community first services and supports under section 256B.85.
 383.7 ~~The exception shall not exceed 107.5 percent of the budget otherwise available to the~~
 383.8 ~~individual.~~ The commissioner must calculate the difference between the rate for personal
 383.9 care assistance services and enhanced rate personal care assistance services. The additional
 383.10 budget amount approved under an exception must not exceed this difference. The exception
 383.11 must be reapproved on an annual basis at the time of a participant's annual reassessment.

383.12 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
 383.13 whichever is later. The commissioner of human services must notify the revisor of statutes
 383.14 when federal approval is obtained.

383.15 Sec. 60. Minnesota Statutes 2020, section 256S.20, subdivision 1, is amended to read:

383.16 Subdivision 1. **Customized living services provider requirements.** ~~Only a provider~~
 383.17 ~~licensed by the Department of Health as a comprehensive home care provider may provide~~
 383.18 (a) To deliver customized living services or 24-hour customized living services, a provider
 383.19 must:

383.20 (1) be licensed as an assisted living facility under chapter 144G; or

383.21 (2) be licensed as a comprehensive home care provider under chapter 144A, be delivering
 383.22 services in a setting exempted from assisted living facility licensure under section 144G.08,
 383.23 subdivision 7, clauses (10) to (13), and meet standards in the federally approved home and
 383.24 community-based waiver plans under this chapter or section 256B.49. A licensed home
 383.25 care provider is subject to section 256B.0651, subdivision 14.

383.26 (b) Settings exempted from assisted living facility licensure under section 144G.08,
 383.27 subdivision 7, clauses (10) to (13), must comply with section 325F.722.

383.28 **EFFECTIVE DATE.** This section is effective August 1, 2021.

384.1 Sec. 61. Minnesota Statutes 2020, section 256S.203, is amended to read:

384.2 **256S.203 CUSTOMIZED LIVING SERVICES; MANAGED CARE RATES.**

384.3 Subdivision 1. **Capitation payments.** The commissioner ~~shall~~ must adjust the elderly
384.4 waiver capitation payment rates for managed care organizations paid to reflect the monthly
384.5 service rate limits for customized living services and 24-hour customized living services
384.6 established under section 256S.202 and the rate adjustments for disproportionate share
384.7 facilities under section 256S.205.

384.8 Subd. 2. **Reimbursement rates.** Medical assistance rates paid to customized living
384.9 providers by managed care organizations under this chapter ~~shall~~ must not exceed the
384.10 monthly service rate limits and component rates as determined by the commissioner under
384.11 sections 256S.15 and 256S.20 to 256S.202, plus any rate adjustment under section 256S.205.

384.12 Sec. 62. **[256S.205] CUSTOMIZED LIVING SERVICES; DISPROPORTIONATE**
384.13 **SHARE RATE ADJUSTMENTS.**

384.14 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms in this
384.15 subdivision have the meanings given.

384.16 (b) "Application year" means a year in which a facility submits an application for
384.17 designation as a disproportionate share facility.

384.18 (c) "Assisted living facility" or "facility" means an assisted living facility licensed under
384.19 chapter 144G.

384.20 (d) "Disproportionate share facility" means an assisted living facility designated by the
384.21 commissioner under subdivision 4.

384.22 Subd. 2. **Rate adjustment application.** An assisted living facility may apply to the
384.23 commissioner for designation as a disproportionate share facility. Applications must be
384.24 submitted annually between October 1 and October 31. The applying facility must apply
384.25 in a manner determined by the commissioner. The applying facility must document as a
384.26 percentage the census of elderly waiver participants residing in the facility on October 1 of
384.27 the application year.

384.28 Subd. 3. **Rate adjustment eligibility criteria.** Only facilities with a census of at least
384.29 80 percent elderly waiver participants on October 1 of the application year are eligible for
384.30 designation as a disproportionate share facility.

384.31 Subd. 4. **Designation as a disproportionate share facility.** By November 15 of each
384.32 application year, the commissioner must designate as a disproportionate share facility a

385.1 facility that complies with the application requirements of subdivision 2 and meets the
 385.2 eligibility criteria of subdivision 3.

385.3 Subd. 5. **Rate adjustment; rate floor.** (a) Notwithstanding the 24-hour customized
 385.4 living monthly service rate limits under section 256S.202, subdivision 2, and the component
 385.5 service rates established under section 256S.201, subdivision 4, the commissioner must
 385.6 establish a rate floor equal to \$119 per resident per day for 24-hour customized living
 385.7 services provided in a designated disproportionate share facility for the purpose of ensuring
 385.8 the minimal level of staffing required to meet the health and safety needs of elderly waiver
 385.9 participants.

385.10 (b) The commissioner must adjust the rate floor at least annually in the manner described
 385.11 under section 256S.18, subdivisions 5 and 6.

385.12 (c) The commissioner shall not implement the rate floor under this section if the
 385.13 customized living rates established under sections 256S.21 to 256S.215 will be implemented
 385.14 at 100 percent on January 1 of the year following an application year.

385.15 Subd. 6. **Budget cap disregard.** The value of the rate adjustment under this section
 385.16 must not be included in an elderly waiver client's monthly case mix budget cap.

385.17 **EFFECTIVE DATE.** This section is effective October 1, 2021, or upon federal approval,
 385.18 whichever is later, and applies to services provided on or after July 1, 2022, or on or after
 385.19 the date upon which federal approval is obtained, whichever is later. The commissioner of
 385.20 human services shall notify the revisor of statutes when federal approval is obtained.

385.21 Sec. 63. Minnesota Statutes 2020, section 256S.21, is amended to read:

385.22 **256S.21 RATE SETTING; APPLICATION.**

385.23 The payment methodologies in sections 256S.2101 to 256S.215 apply to elderly waiver,
 385.24 elderly waiver customized living, and elderly waiver foster care, ~~and elderly waiver~~
 385.25 ~~residential care~~ under this chapter; alternative care under section 256B.0913; essential
 385.26 community supports under section 256B.0922; and community access for disability inclusion
 385.27 customized living and brain injury customized living under section 256B.49.

385.28 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
 385.29 whichever is later. The commissioner of human services shall inform the revisor of statutes
 385.30 when federal approval is obtained.

386.1 Sec. 64. Minnesota Statutes 2020, section 256S.2101, is amended to read:

386.2 **256S.2101 RATE SETTING; PHASE-IN.**

386.3 Subdivision 1. Phase-in for disability waiver customized living rates. All rates and
386.4 rate components for ~~services listed in section 256S.21~~ community access for disability
386.5 inclusion customized living and brain injury customized living under section 256B.4914
386.6 shall be the sum of ten percent of the rates calculated under sections 256S.211 to 256S.215
386.7 and 90 percent of the rates calculated using the rate methodology in effect as of June 30,
386.8 2017.

386.9 Subd. 2. Phase-in for elderly waiver rates. Except for home-delivered meals as
386.10 described in section 256S.215, subdivision 15, all rates and rate components for elderly
386.11 waiver, elderly waiver customized living, and elderly waiver foster care under this chapter;
386.12 alternative care under section 256B.0913; and essential community supports under section
386.13 256B.0922 shall be the sum of 18.8 percent of the rates calculated under sections 256S.211
386.14 to 256S.215, and 81.2 percent of the rates calculated using the rate methodology in effect
386.15 as of June 30, 2017. The rate for home-delivered meals shall be the sum of the service rate
386.16 in effect as of January 1, 2019, and the increases described in section 256S.215, subdivision
386.17 15.

386.18 EFFECTIVE DATE. This section is effective January 1, 2022, or upon federal approval,
386.19 whichever is later. The commissioner of human services shall inform the revisor of statutes
386.20 when federal approval is obtained.

386.21 Sec. 65. **[325F.722] CONSUMER PROTECTIONS FOR EXEMPT SETTINGS.**

386.22 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
386.23 the meanings given.

386.24 (b) "Exempt setting" means a setting that is exempted from assisted living facility
386.25 licensure under section 144G.08, subdivision 7, clauses (10) to (13).

386.26 (c) "Resident" means a person residing in an exempt setting.

386.27 Subd. 2. Contracts. (a) Every exempt setting must execute a written contract with a
386.28 resident or the resident's representative and must operate in accordance with the terms of
386.29 the contract. The resident or the resident's representative must be given a complete copy of
386.30 the contract and all supporting documents and attachments and any changes whenever
386.31 changes are made.

- 387.1 (b) The contract must include at least the following elements in itself or through
387.2 supporting documents or attachments:
- 387.3 (1) the name, street address, and mailing address of the exempt setting;
- 387.4 (2) the name and mailing address of the owner or owners of the exempt setting and, if
387.5 the owner or owners are not natural persons, identification of the type of business entity of
387.6 the owner or owners;
- 387.7 (3) the name and mailing address of the managing agent, through management agreement
387.8 or lease agreement, of the exempt setting, if different from the owner or owners;
- 387.9 (4) the name and address of at least one natural person who is authorized to accept service
387.10 of process on behalf of the owner or owners and managing agent;
- 387.11 (5) a statement identifying the license number of the home care provider that provides
387.12 services to some or all of the residents and that is either the setting itself or another entity
387.13 with which the setting has an arrangement;
- 387.14 (6) the term of the contract;
- 387.15 (7) an itemization and description of the housing and, if applicable, services to be
387.16 provided to the resident;
- 387.17 (8) a conspicuous notice informing the resident of the policy concerning the conditions
387.18 under which and the process through which the contract may be modified, amended, or
387.19 terminated;
- 387.20 (9) a description of the exempt setting's complaint resolution process available to residents
387.21 including the toll-free complaint line for the Office of Ombudsman for Long-Term Care;
- 387.22 (10) the individual designated as the resident's representative, if any;
- 387.23 (11) the exempt setting's referral procedures if the contract is terminated;
- 387.24 (12) a statement regarding the ability of a resident to receive services from providers
387.25 with whom the exempt setting does not have an arrangement;
- 387.26 (13) a statement regarding the availability of public funds for payment for residence or
387.27 services; and
- 387.28 (14) a statement regarding the availability of and contact information for long-term care
387.29 consultation services under section 256B.0911 in the county in which the exempt setting is
387.30 located.
- 387.31 (c) The contract must include a statement regarding:

388.1 (1) the ability of a resident to furnish and decorate the resident's unit within the terms
388.2 of the lease;

388.3 (2) a resident's right to access food at any time;

388.4 (3) a resident's right to choose the resident's visitors and times of visits;

388.5 (4) a resident's right to choose a roommate if sharing a unit; and

388.6 (5) a resident's right to have and use a lockable door to the resident's unit. The exempt
388.7 setting must provide the locks on the unit. Only a staff member with a specific need to enter
388.8 the unit shall have keys, and advance notice must be given to the resident before entrance
388.9 by the staff member, when possible.

388.10 (d) A restriction of a resident's rights under this subdivision is allowed only if determined
388.11 necessary for health and safety reasons identified by a home care provider's registered nurse
388.12 in an initial assessment or reassessment, as defined under section 144A.4791, subdivision
388.13 8, and documented in the written service plan under section 144A.4791, subdivision 9. Any
388.14 restrictions of those rights for people served under section 256B.49 and chapter 256S must
388.15 be documented in the resident's coordinated service and support plan, as defined under
388.16 sections 256B.49, subdivision 15, and 256S.10.

388.17 (e) The contract and related documents executed by each resident or resident's
388.18 representative must be maintained by the exempt setting in files from the date of execution
388.19 until three years after the contract is terminated.

388.20 Subd. 3. **Termination of contract.** An exempt setting must include with notice of
388.21 termination of contract information about how to contact the ombudsman for long-term
388.22 care, including the address and telephone number, along with a statement of how to request
388.23 problem-solving assistance.

388.24 Subd. 4. **Emergency planning.** (a) Each exempt setting must meet the following
388.25 requirements:

388.26 (1) have a written emergency disaster plan that contains a plan for evacuation, addresses
388.27 elements of sheltering in place, identifies temporary relocation sites, and details staff
388.28 assignments in the event of a disaster or an emergency;

388.29 (2) prominently post an emergency disaster plan;

388.30 (3) provide building emergency exit diagrams to all residents upon signing a contract;

388.31 (4) post emergency exit diagrams on each floor; and

388.32 (5) have a written policy and procedure regarding missing residents.

389.1 (b) Each exempt setting must provide emergency and disaster training to all staff during
389.2 the initial staff orientation and annually thereafter and must make emergency and disaster
389.3 training available to all residents annually. Staff who have not received emergency and
389.4 disaster training are allowed to work only when trained staff are also working on site.

389.5 (c) Each exempt setting location must conduct and document a fire drill or other
389.6 emergency drill at least once every six months. To the extent possible, drills must be
389.7 coordinated with local fire departments or other community emergency resources.

389.8 Subd. 5. **Training in dementia.** (a) If an exempt setting has a special program or special
389.9 care unit for residents with Alzheimer's disease or other dementias whether in a segregated
389.10 or general unit, employees of the setting must meet the following training requirements:

389.11 (1) supervisors of direct care staff must have completed at least eight hours of initial
389.12 training on topics specified under paragraph (b) within 120 working hours of the employment
389.13 start date, and must complete at least two hours of training on topics related to dementia
389.14 care for each 12 months of employment thereafter;

389.15 (2) direct care employees must have completed at least eight hours of initial training on
389.16 topics specified under paragraph (b) within 160 working hours of the employment start
389.17 date. Until this initial training is complete, an employee must not provide direct care unless
389.18 there is another employee on site who has completed the initial eight hours of training on
389.19 topics related to dementia care and who can act as a resource and assist if issues arise. A
389.20 trainer of the requirements under paragraph (b), or a supervisor meeting the requirements
389.21 in clause (1), must be available for consultation with the new employee until the training
389.22 requirement is complete. Direct care employees must complete at least two hours of training
389.23 on topics related to dementia care for each 12 months of employment thereafter;

389.24 (3) staff who do not provide direct care, including maintenance, housekeeping, and food
389.25 service staff, must have completed at least four hours of initial training on topics specified
389.26 under paragraph (b) within 160 working hours of the employment start date, and must
389.27 complete at least two hours of training on topics related to dementia care for each 12 months
389.28 of employment thereafter; and

389.29 (4) new employees may satisfy the initial training requirements under clauses (1) to (3)
389.30 by producing written proof of previously completed required training within the past 18
389.31 months.

389.32 (b) Areas of required training include:

389.33 (1) an explanation of Alzheimer's disease and related disorders;

390.1 (2) assistance with activities of daily living;

390.2 (3) problem-solving with challenging behaviors; and

390.3 (4) communication skills.

390.4 (c) The setting must provide to residents, and prospective residents upon request, in
390.5 written or electronic form, a description of the training program, the categories of employees
390.6 trained, the frequency of training, and the basic topics covered.

390.7 Subd. 6. **Manager requirements.** (a) The person primarily responsible for oversight
390.8 and management of the exempt setting, as designated by the owner, must obtain at least 30
390.9 hours of continuing education every two years of employment as the manager in topics
390.10 relevant to the operations of the setting and the needs of its residents. Continuing education
390.11 earned to maintain a professional license, such as a nursing home administrator license,
390.12 assisted living facility director license, nursing license, social worker license, or real estate
390.13 license, can be used to complete this requirement.

390.14 (b) New managers may satisfy the initial dementia training requirements by producing
390.15 written proof of previously completed required training within the past 18 months.

390.16 Subd. 7. **Restraints.** Residents must be free from any physical or chemical restraints
390.17 imposed for purposes of discipline or convenience.

390.18 Subd. 8. **Other laws.** Each exempt setting must comply with chapter 504B, and must
390.19 obtain and maintain all other licenses, permits, registrations, or other required governmental
390.20 approvals. An exempt setting is not required to obtain a lodging license under chapter 157
390.21 and related rules.

390.22 Subd. 9. **Remedy.** A state agency must make a good faith effort to reasonably resolve
390.23 any dispute with an exempt setting before seeking any additional enforcement actions
390.24 regarding the exempt setting's compliance with the requirements of this section. No private
390.25 right of action may be maintained as provided under section 8.31, subdivision 3a.

390.26 **EFFECTIVE DATE.** This section is effective August 1, 2021.

390.27 Sec. 66. **DIRECTION TO THE COMMISSIONER; CUSTOMIZED LIVING**
390.28 **REPORT.**

390.29 (a) By January 15, 2022, the commissioner of human services shall submit a report to
390.30 the chairs and ranking minority members of the legislative committees with jurisdiction
390.31 over human services policy and finance. The report must include the commissioner's:

391.1 (1) assessment of the prevalence of customized living services provided under Minnesota
 391.2 Statutes, section 256B.49, supplanting the provision of residential services and supports
 391.3 licensed under Minnesota Statutes, chapter 245D, and provided in settings licensed under
 391.4 Minnesota Statutes, chapter 245A;

391.5 (2) recommendations regarding the continuation of the moratorium on home and
 391.6 community-based services customized living settings under Minnesota Statutes, section
 391.7 256B.49, subdivision 28;

391.8 (3) other policy recommendations to ensure that customized living services are being
 391.9 provided in a manner consistent with the policy objectives of the foster care licensing
 391.10 moratorium under Minnesota Statutes, section 245A.03, subdivision 7; and

391.11 (4) recommendations for needed statutory changes to implement the transition from
 391.12 existing four-person or fewer customized living settings to corporate adult foster care or
 391.13 community residential settings.

391.14 (b) The commissioner of health shall provide the commissioner of human services with
 391.15 the required data to complete the report in paragraph (a) and implement the moratorium on
 391.16 home and community-based services customized living settings under Minnesota Statutes,
 391.17 section 256B.49, subdivision 28. The data must include, at a minimum, each registered
 391.18 housing with services establishment under Minnesota Statutes, chapter 144D, enrolled as
 391.19 a customized living setting to deliver customized living services as defined under the brain
 391.20 injury or community access for disability inclusion waiver plans under Minnesota Statutes,
 391.21 section 256B.49.

391.22 **Sec. 67. PERSONAL CARE ASSISTANCE ENHANCED RATE FOR PERSONS**
 391.23 **WHO USE CONSUMER-DIRECTED COMMUNITY SUPPORTS.**

391.24 The commissioner of human services shall increase the annual budgets for participants
 391.25 who use consumer-directed community supports under Minnesota Statutes, sections
 391.26 256B.0913, subdivision 5, clause (17); 256B.092, subdivision 1b, paragraph (a), clause (4);
 391.27 and 256B.49, subdivision 16, paragraph (c); and chapter 256S, by 7.5 percent for participants
 391.28 who are determined by assessment to be eligible for ten or more hours of personal care
 391.29 assistance services or community first services and supports per day when the participant
 391.30 uses direct support services provided by a worker employed by the participant who has
 391.31 completed training identified in Minnesota Statutes, section 256B.0659, subdivision 11,
 391.32 paragraph (d), or 256B.85, subdivision 16, paragraph (e).

392.1 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
392.2 whichever occurs later. The commissioner of human services shall notify the revisor of
392.3 statutes when federal approval is obtained.

392.4 Sec. 68. **DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**
392.5 **DIRECT CARE SERVICES DURING SHORT-TERM ACUTE HOSPITAL VISITS.**

392.6 The commissioner of human services, in consultation with stakeholders, shall develop
392.7 a new covered service under Minnesota Statutes, chapter 256B, or develop modifications
392.8 to existing covered services, that permits receipt of direct care services in an acute care
392.9 hospital in a manner consistent with the requirements of United States Code, title 42, section
392.10 1396a(h). By August 31, 2022, the commissioner must provide to the chairs and ranking
392.11 minority members of the house of representatives and senate committees and divisions with
392.12 jurisdiction over direct care services any draft legislation as may be necessary to implement
392.13 the new or modified covered service.

392.14 Sec. 69. **DIRECTION TO THE COMMISSIONER; SUPPORTIVE PARENTING**
392.15 **SERVICES STUDY.**

392.16 (a) The commissioner of human services shall:

392.17 (1) study the feasibility of developing and providing supportive parenting services and
392.18 providing adaptive parenting equipment to parents with disabilities and disabling conditions
392.19 under Medicaid state plan or waiver authorities; and

392.20 (2) submit a report to the chairs and ranking minority members of the legislative
392.21 committees and divisions with jurisdiction over health and human services by February 15,
392.22 2023.

392.23 (b) The report must include:

392.24 (1) an evaluation and recommendation on eligibility and service design for supportive
392.25 parenting services and adaptive parenting equipment;

392.26 (2) the estimated cost to the state of a supportive parenting service and reimbursement
392.27 for adaptive parenting equipment;

392.28 (3) draft legislative language and recommended Medicaid state plan and waiver
392.29 amendments required to implement supportive parenting services; and

392.30 (4) other information and recommendations that improve family-centered approaches
392.31 to Medicaid service design and delivery.

393.1 **EFFECTIVE DATE.** This section is effective upon federal approval of Minnesota's
393.2 initial state spending plan as described in guidance issued by the Centers for Medicare and
393.3 Medicaid Services for implementation of section 9817 of the federal American Rescue Plan
393.4 Act of 2021. The commissioner of human services shall notify the revisor of statutes when
393.5 federal approval is obtained.

393.6 **Sec. 70. PERSONAL CARE ASSISTANCE COMPENSATION FOR SERVICES**
393.7 **PROVIDED BY A PARENT OR SPOUSE.**

393.8 (a) Notwithstanding Minnesota Statutes, section 256B.0659, subdivisions 3, paragraph
393.9 (a), clause (1); 11, paragraph (c); and 19, paragraph (b), clause (3), a parent, stepparent, or
393.10 legal guardian of a minor who is a personal care assistance recipient or a spouse of a personal
393.11 care assistance recipient may provide and be paid for providing personal care assistance
393.12 services.

393.13 (b) This section expires upon the expiration of the COVID-19 public health emergency
393.14 declared by the United States Secretary of Health and Human Services.

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

393.16 **Sec. 71. DIRECTION TO COMMISSIONER; PROVIDER STANDARDS FOR**
393.17 **CUSTOMIZED LIVING SERVICES IN DESIGNATED SETTINGS.**

393.18 The commissioner of human services shall review policies and provider standards for
393.19 customized living services provided in settings identified in Minnesota Statutes, section
393.20 256S.20, subdivision 1, paragraph (a), clause (2), in consultation with stakeholders. The
393.21 commissioner may provide recommendations to the chairs and ranking minority members
393.22 of the legislative committees and divisions with jurisdiction over customized living services
393.23 by February 15, 2022, regarding appropriate regulatory oversight and payment policies for
393.24 customized living services delivered in these settings.

393.25 **Sec. 72. RATE INCREASE FOR DIRECT SUPPORT SERVICES WORKFORCE.**

393.26 (a) Effective October 1, 2021, or upon federal approval, whichever is later, if the labor
393.27 agreement between the state of Minnesota and the Service Employees International Union
393.28 Healthcare Minnesota under Minnesota Statutes, section 179A.54, is approved pursuant to
393.29 Minnesota Statutes, section 3.855, the commissioner of human services shall increase:

393.30 (1) reimbursement rates, individual budgets, grants, or allocations by 4.14 percent for
393.31 services under paragraph (b) provided on or after October 1, 2021, or upon federal approval,

394.1 whichever is later, to implement the minimum hourly wage, holiday, and paid time off
 394.2 provisions of that agreement;

394.3 (2) reimbursement rates, individual budgets, grants, or allocations by 2.95 percent for
 394.4 services under paragraph (b) provided on or after July 1, 2022, or upon federal approval,
 394.5 whichever is later, to implement the minimum hourly wage, holiday, and paid time off
 394.6 provisions of that agreement;

394.7 (3) individual budgets, grants, or allocations by 1.58 percent for services under paragraph
 394.8 (c) provided on or after October 1, 2021, or upon federal approval, whichever is later, to
 394.9 implement the minimum hourly wage, holiday, and paid time off provisions of that
 394.10 agreement; and

394.11 (4) individual budgets, grants, or allocations by .81 percent for services under paragraph
 394.12 (c) provided on or after July 1, 2022, or upon federal approval, whichever is later, to
 394.13 implement the minimum hourly wage, holiday, and paid time off provisions of that
 394.14 agreement.

394.15 (b) The rate changes described in paragraph (a), clauses (1) and (2), apply to direct
 394.16 support services provided through a covered program, as defined in Minnesota Statutes,
 394.17 section 256B.0711, subdivision 1, with the exception of consumer-directed community
 394.18 supports available under programs established pursuant to home and community-based
 394.19 service waivers authorized under section 1915(c) of the federal Social Security Act and
 394.20 Minnesota Statutes, including but not limited to chapter 256S and sections 256B.092 and
 394.21 256B.49, and under the alternative care program under Minnesota Statutes, section
 394.22 256B.0913. These rate changes are included within, and are not in addition to, any other
 394.23 rate changes for the covered programs authorized under Minnesota Statutes, section
 394.24 256B.851.

394.25 (c) The funding changes described in paragraph (a), clauses (3) and (4), apply to
 394.26 consumer-directed community supports available under programs established pursuant to
 394.27 home and community-based service waivers authorized under section 1915(c) of the federal
 394.28 Social Security Act, and Minnesota Statutes, including but not limited to chapter 256S and
 394.29 sections 256B.092 and 256B.49, and under the alternative care program under Minnesota
 394.30 Statutes, section 256B.0913.

394.31 **Sec. 73. WAIVER REIMAGINE PHASE II.**

394.32 (a) The commissioner of human services must implement a two-home and
 394.33 community-based services waiver program structure, as authorized under section 1915(c)

395.1 of the federal Social Security Act, that serves persons who are determined by a certified
395.2 assessor to require the levels of care provided in a nursing home, a hospital, a neurobehavioral
395.3 hospital, or an intermediate care facility for persons with developmental disabilities.

395.4 (b) The commissioner of human services must implement an individualized budget
395.5 methodology, as authorized under section 1915(c) of the federal Social Security Act, that
395.6 serves persons who are determined by a certified assessor to require the levels of care
395.7 provided in a nursing home, a hospital, a neurobehavioral hospital, or an intermediate care
395.8 facility for persons with developmental disabilities.

395.9 (c) The commissioner of human services may seek all federal authority necessary to
395.10 implement this section.

395.11 (d) The commissioner must ensure that the new waiver service menu and individual
395.12 budgets allow people to live in their own home, family home, or any home and
395.13 community-based setting of their choice. The commissioner must ensure, within available
395.14 resources and subject to state and federal regulations and law, that waiver reimagine does
395.15 not result in unintended service disruptions.

395.16 **EFFECTIVE DATE.** This section is effective July 1, 2024, or 90 days after federal
395.17 approval, whichever is later. The commissioner of human services shall notify the revisor
395.18 of statutes when federal approval is obtained.

395.19 **Sec. 74. RATE INCREASE FOR CERTAIN HOME CARE SERVICES.**

395.20 Effective January 1, 2022, or upon federal approval, whichever is later, payment rates
395.21 for home health services and home care nursing services under Minnesota Statutes, section
395.22 256B.0651, subdivision 2, clauses (1) to (3), and respiratory therapy under Minnesota Rules,
395.23 part 9505.0295, subpart 2, item E, shall be increased by five percent from the rates in effect
395.24 on December 31, 2021.

395.25 **EFFECTIVE DATE.** This section is effective January 1, 2022.

395.26 **Sec. 75. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; WAIVER**
395.27 **REIMAGINE AND INFORMED CHOICE STAKEHOLDER CONSULTATION.**

395.28 Subdivision 1. **Stakeholder consultation; generally.** (a) The commissioner of human
395.29 services must consult with and seek input and assistance from stakeholders concerning
395.30 potential adjustments to the streamlined service menu from waiver reimagine phase I and
395.31 to the existing rate exemption criteria and process.

396.1 (b) The commissioner of human services must consult with and seek input and assistance
 396.2 from stakeholders concerning the development and implementation of waiver reimagine
 396.3 phase II, including criteria and a process for individualized budget exemptions, and how
 396.4 waiver reimagine phase II can support and expand informed choice and informed decision
 396.5 making, including integrated employment, independent living, and self-direction, consistent
 396.6 with Minnesota Statutes, section 256B.4905.

396.7 Subd. 2. **Public stakeholder engagement.** The commissioner must offer a public method
 396.8 to regularly receive input and concerns from people with disabilities and their families about
 396.9 waiver reimagine phase II. The commissioner shall provide regular public updates on policy
 396.10 development and on how stakeholder input was used throughout the development and
 396.11 implementation of waiver reimagine phase II.

396.12 Subd. 3. **Waiver Reimagine Advisory Committee.** (a) The commissioner must convene,
 396.13 at regular intervals throughout the development and implementation of waiver reimagine
 396.14 phase II, a Waiver Reimagine Advisory Committee that consists of a group of diverse,
 396.15 representative stakeholders. The commissioner must solicit and endeavor to include racially,
 396.16 ethnically, and geographically diverse membership from each of the following groups:

396.17 (1) people with disabilities who use waiver services;

396.18 (2) family members of people who use waiver services;

396.19 (3) disability and behavioral health advocates;

396.20 (4) lead agency representatives; and

396.21 (5) waiver service providers.

396.22 (b) The Waiver Reimagine Advisory Committee must have the opportunity to assist in
 396.23 developing and providing feedback on proposed plans for waiver reimagine components,
 396.24 including an individual budget methodology, criteria and a process for individualized budget
 396.25 exemptions, the consolidation of the four current home and community-based waiver service
 396.26 programs into two-waiver programs, and other aspects of waiver reimagine phase II.

396.27 (c) The Waiver Reimagine Advisory Committee must have an opportunity to assist in
 396.28 the development of and provide feedback on proposed adjustments and modifications to
 396.29 the streamlined menu of services and the existing rate exception criteria and process.

396.30 Subd. 4. **Required report.** Prior to seeking federal approval for any aspect of waiver
 396.31 reimagine phase II and in consultation with the Waiver Reimagine Advisory Committee,
 396.32 the commissioner must submit to the chairs and ranking minority members of the legislative
 396.33 committees and divisions with jurisdiction over health and human services a report on plans

397.1 for waiver reimagine phase II. The report must also include any plans to adjust or modify
397.2 the streamlined menu of services or the existing rate exemption criteria or process.

397.3 Subd. 5. **Transition process.** (a) Prior to implementation of wavier reimagine phase II,
397.4 the commissioner must establish a process to assist people who use waiver services and
397.5 lead agencies transition to a two-waiver system with an individual budget methodology.

397.6 (b) The commissioner must ensure that the new waiver service menu and individual
397.7 budgets allow people to live in their own home, family home, or any home and
397.8 community-based setting of their choice. The commissioner must ensure, within available
397.9 resources and subject to state and federal regulations and law, that waiver reimagine does
397.10 not result in unintended service disruptions.

397.11 Subd. 6. **Online support planning tool.** The commissioner must develop an online
397.12 support planning and tracking tool for people using disability waiver services that allows
397.13 access to the total budget available to the person, the services for which they are eligible,
397.14 and the services they have chosen and used. The commissioner must explore operability
397.15 options that would facilitate real-time tracking of a person's remaining available budget
397.16 throughout the service year. The online support planning tool must provide information in
397.17 an accessible format to support the person's informed choice. The commissioner must seek
397.18 input from people with disabilities about the online support planning tool prior to its
397.19 implementation.

397.20 Subd. 7. **Curriculum and training.** The commissioner must develop and implement a
397.21 curriculum and training plan to ensure all lead agency assessors and case managers have
397.22 the knowledge and skills necessary to comply with informed decision making for people
397.23 who used home and community-based disability waivers. Training and competency
397.24 evaluations must be completed annually by all staff responsible for case management as
397.25 described in Minnesota Statutes, sections 256B.092, subdivision 1a, paragraph (f), and
397.26 256B.49, subdivision 13, paragraph (e).

397.27 Sec. 76. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES;**
397.28 **RESIDENTIAL SUPPORT SERVICES CRITERIA REPORT.**

397.29 The commissioner must collect data on the implementation of residential support services
397.30 criteria under Minnesota Statutes, sections 256B.092, subdivision 11a, and 256B.49,
397.31 subdivision 29, and by January 15, 2024, or 18 months following federal approval, whichever
397.32 is later, submit to the chairs and ranking minority members of the legislative committees
397.33 and divisions with jurisdiction over health and human services a report containing an analysis
397.34 of the collected data and recommendations. The report must include data on shifts in the

398.1 home and community-based service system for people who access services in their own
 398.2 home and in nonprovider-controlled settings. The report must also include recommended
 398.3 modifications to the criteria that align with disability waiver reconfiguration and individual
 398.4 support range implementation.

398.5 Sec. 77. **SELF-DIRECTED WORKER CONTRACT RATIFICATION.**

398.6 The labor agreement between the state of Minnesota and the Service Employees
 398.7 International Union Healthcare Minnesota, submitted to the Legislative Coordinating
 398.8 Commission on March 1, 2021, is ratified.

398.9 Sec. 78. **REVISOR INSTRUCTION.**

398.10 The revisor of statutes shall change the headnote for Minnesota Statutes, section
 398.11 256B.097, to read "REGIONAL AND SYSTEMS IMPROVEMENT FOR MINNESOTANS
 398.12 WHO HAVE DISABILITIES."

398.13 Sec. 79. **REPEALER.**

398.14 (a) Minnesota Statutes 2020, sections 256B.0916, subdivisions 2, 3, 4, 5, 8, 11, and 12;
 398.15 and 256B.49, subdivisions 26 and 27, are repealed effective July 1, 2024, or upon federal
 398.16 approval, whichever is later. The commissioner of human services shall notify the revisor
 398.17 of statutes when federal approval is obtained.

398.18 (b) Minnesota Statutes 2020, section 256B.4905, subdivisions 1, 2, 3, 4, 5, and 6, are
 398.19 repealed.

398.20 (c) Minnesota Statutes 2020, section 256S.20, subdivision 2, is repealed effective August
 398.21 1, 2021.

398.22 (d) Minnesota Statutes 2020, section 256B.097, subdivisions 1, 2, 3, 4, 5, and 6, are
 398.23 repealed effective July 1, 2021.

398.24 (e) Laws 2019, First Special Session chapter 9, article 5, section 90, is repealed.

398.25 ARTICLE 14

398.26 MISCELLANEOUS

398.27 Section 1. **[3.9215] OMBUDSPERSON FOR AMERICAN INDIAN FAMILIES.**

398.28 Subdivision 1. **Scope.** In recognition of the sovereign status of Indian Tribes and the
 398.29 unique laws and standards involved in protecting Indian children, this section creates the

399.1 Office of the Ombudsperson for American Indian Families and gives the ombudsperson the
399.2 powers and duties necessary to effectively carry out the functions of the office.

399.3 Subd. 2. **Creation.** The ombudsperson shall operate independently from and in
399.4 collaboration with the Indian Affairs Council and the American Indian Child Welfare
399.5 Advisory Council under section 260.835.

399.6 Subd. 3. **Selection; qualifications.** The ombudsperson shall be selected by the American
399.7 Indian community-specific board established in section 3.9216. The ombudsperson serves
399.8 in the unclassified service at the pleasure of the community-specific board and may be
399.9 removed only for just cause. Each ombudsperson must be selected without regard to political
399.10 affiliation and shall be a person highly competent and qualified to analyze questions of law,
399.11 administration, and public policy regarding the protection and placement of children. In
399.12 addition, the ombudsperson must be experienced in working collaboratively with the
399.13 American Indian and Alaskan Native communities or nations and knowledgeable about the
399.14 needs of those communities, the Indian Child Welfare Act and Minnesota Indian Family
399.15 Preservation Act, and best practices regarding prevention, cultural resources, and historical
399.16 trauma. No individual may serve as the ombudsperson for American Indian families while
399.17 holding any other public office.

399.18 Subd. 4. **Appropriation.** Money appropriated for the ombudsperson for American Indian
399.19 families from the general fund or the special fund authorized by section 256.01, subdivision
399.20 2, paragraph (o), is under the control of the ombudsperson.

399.21 Subd. 5. **Definitions.** (a) For the purposes of this section, the following terms have the
399.22 meanings given them.

399.23 (b) "Agency" means the local district courts or a designated county social service agency
399.24 as defined in section 256G.02, subdivision 7, engaged in providing child protection and
399.25 placement services for children. Agency also means any individual, service, organization,
399.26 or program providing child protection, placement, or adoption services in coordination with
399.27 or under contract with any other entity specified in this subdivision, including guardians ad
399.28 litem.

399.29 (c) "American Indian" refers to individuals who are members of federally recognized
399.30 Tribes, eligible for membership in a federally recognized Tribe, or children or grandchildren
399.31 of a member of a federally recognized Tribe. American Indian is a political status established
399.32 through treaty rights between the federal government and Tribes. Each Tribe has a unique
399.33 culture and practices specific to the Tribe.

399.34 (d) "Facility" means any entity required to be licensed under chapter 245A.

400.1 (e) "Indian custodian" has the meaning given in United States Code, title 25, section
400.2 1903.

400.3 Subd. 6. **Organization.** (a) The ombudsperson may select, appoint, and compensate
400.4 assistants and employees that the ombudsperson finds necessary to discharge responsibilities.
400.5 All employees, except the secretarial and clerical staff, serve at the pleasure of the
400.6 ombudsperson in the unclassified service. The ombudsperson and full-time staff are members
400.7 of the Minnesota State Retirement Association.

400.8 (b) The ombudsperson may delegate to staff members or members of the American
400.9 Indian Community-Specific Board under section 3.9216 any of the ombudsperson's authority
400.10 or duties except the duty of formally making recommendations to an administrative agency
400.11 or reports to the Office of the Governor or to the legislature.

400.12 Subd. 7. **Duties and powers.** (a) The ombudsperson has the duties listed in this paragraph.

400.13 (1) The ombudsperson shall monitor agency compliance with all laws governing child
400.14 protection and placement, public education, and housing issues related to child protection
400.15 that impact American Indian children and their families. In particular, the ombudsperson
400.16 shall monitor agency compliance with sections 260.751 to 260.835; section 260C.193,
400.17 subdivision 3; and section 260C.215.

400.18 (2) The ombudsperson shall work with local state courts to ensure that:

400.19 (i) court officials, public policy makers, and service providers are trained in cultural
400.20 competency. The ombudsperson shall document and monitor court activities to heighten
400.21 awareness of diverse belief systems and family relationships;

400.22 (ii) qualified expert witnesses from the appropriate American Indian community,
400.23 including Tribal advocates, are used as court advocates and are consulted in placement
400.24 decisions that involve American Indian children; and

400.25 (iii) guardians ad litem and other individuals from American Indian communities are
400.26 recruited, trained, and used in court proceedings to advocate on behalf of American Indian
400.27 children.

400.28 (3) The ombudsperson shall primarily work on behalf of American Indian children and
400.29 families, but shall also work on behalf of any Minnesota children and families as the
400.30 ombudsperson deems necessary and appropriate.

400.31 (b) The ombudsperson has the authority to investigate decisions, acts, and other matters
400.32 of an agency, program, or facility providing protection or placement services to American

401.1 Indian children. In carrying out this authority and the duties in paragraph (a), the
401.2 ombudsperson has the power to:

401.3 (1) prescribe the methods by which complaints are made, reviewed, and acted upon;

401.4 (2) determine the scope and manner of investigations;

401.5 (3) investigate, upon a complaint or upon personal initiative, any action of any agency;

401.6 (4) request and be given access to any information in the possession of any agency

401.7 deemed necessary for the discharge of responsibilities. The ombudsperson is authorized to

401.8 set reasonable deadlines within which an agency must respond to requests for information.

401.9 Data obtained from any agency under this clause retains the classification that the data has

401.10 under section 13.02 and the ombudsperson shall maintain and disseminate the data according

401.11 to chapter 13;

401.12 (5) examine the records and documents of an agency;

401.13 (6) enter and inspect, during normal business hours, premises within the control of an

401.14 agency; and

401.15 (7) subpoena any agency personnel to appear, testify, or produce documentation or other

401.16 evidence that the ombudsperson deems relevant to a particular matter under investigation,

401.17 and petition the appropriate state court to seek enforcement of the subpoena. Any witness

401.18 at a hearing or for an investigation has the same privileges of a witness in the courts or under

401.19 the laws of this state. The ombudsperson may compel individuals who are not agency

401.20 personnel to testify or produce evidence according to procedures developed by the advisory

401.21 board.

401.22 (c) The ombudsperson may apply for grants and accept gifts, donations, and

401.23 appropriations for training relating to the duties of the ombudsperson. Grants, gifts, donations,

401.24 and appropriations received by the ombudsperson shall be used for training. The

401.25 ombudsperson may seek and apply for grants to develop new programs and initiatives and

401.26 to continue existing programs and initiatives. These funds may not be used for operating

401.27 expenses for the Office of the Ombudsperson for American Indian Families.

401.28 Subd. 8. **Matters appropriate for review.** (a) In selecting matters for review, an

401.29 ombudsperson should give particular attention to actions of an agency, facility, or program

401.30 that:

401.31 (1) may be contrary to law or rule;

402.1 (2) may be unreasonable, unfair, oppressive, or inconsistent with a policy or order of an
402.2 agency, facility, or program;

402.3 (3) may result in abuse or neglect of a child;

402.4 (4) may disregard the rights of a child or another individual served by an agency or
402.5 facility; or

402.6 (5) may be unclear or inadequately explained, when reasons should have been revealed.

402.7 (b) The ombudsperson shall, in selecting matters for review, inform other interested
402.8 agencies in order to avoid duplicating other investigations or regulatory efforts, including
402.9 activities undertaken by a Tribal organization under the authority of sections 260.751 to
402.10 260.835.

402.11 Subd. 9. **Complaints.** The ombudsperson may receive a complaint from any source
402.12 concerning an action of an agency, facility, or program. After completing a review, the
402.13 ombudsperson shall inform the complainant, agency, facility, or program. Services to a
402.14 child shall not be unfavorably altered as a result of an investigation or complaint. An agency,
402.15 facility, or program shall not retaliate or take adverse action, as defined in section 260E.07,
402.16 against an individual who, in good faith, makes a complaint or assists in an investigation.

402.17 Subd. 10. **Recommendations to agency.** (a) If, after reviewing a complaint or conducting
402.18 an investigation and considering the response of an agency, facility, or program and any
402.19 other pertinent material, the ombudsperson determines that the complaint has merit or that
402.20 the investigation reveals a problem, the ombudsperson may recommend that the agency,
402.21 facility, or program:

402.22 (1) consider the matter further;

402.23 (2) modify or cancel its actions;

402.24 (3) alter a rule, order, or internal policy;

402.25 (4) explain more fully the action in question; or

402.26 (5) take other action as authorized under section 257.0762.

402.27 (b) At the ombudsperson's request, the agency, facility, or program shall, within a
402.28 reasonable time, inform the ombudsperson about the action taken on the recommendation
402.29 or the reasons for not complying with the recommendation.

402.30 (c) Data obtained from any agency under this section retains the classification that the
402.31 data has under section 13.02, and the ombudsperson shall maintain and disseminate the data
402.32 according to chapter 13.

403.1 Subd. 11. **Recommendations and public reports.** (a) The ombudsperson may send
403.2 conclusions and suggestions concerning any reviewed matter to the governor and shall
403.3 provide copies of all reports to the advisory board and to the groups specified in section
403.4 257.0768, subdivision 1. Before making public a conclusion or recommendation that
403.5 expressly or implicitly criticizes an agency, facility, program, or any person, the
403.6 ombudsperson shall inform the governor and the affected agency, facility, program, or
403.7 person concerning the conclusion or recommendation. When sending a conclusion or
403.8 recommendation to the governor that is adverse to an agency, facility, program, or any
403.9 person, the ombudsperson shall include any statement of reasonable length made by that
403.10 agency, facility, program, or person in defense or mitigation of the ombudsperson's
403.11 conclusion or recommendation.

403.12 (b) In addition to conclusions or recommendations that the ombudsperson makes to the
403.13 governor on an ad hoc basis, the ombudsperson shall, at the end of each year, report to the
403.14 governor concerning the exercise of the ombudsperson's functions during the preceding
403.15 year.

403.16 Subd. 12. **Civil actions.** The ombudsperson and designees are not civilly liable for any
403.17 action taken under this section if the action was taken in good faith, was within the scope
403.18 of the ombudsperson's authority, and did not constitute willful or reckless misconduct.

403.19 Subd. 13. **Use of funds.** Any funds received by the ombudsperson from any source may
403.20 be used to compensate members of the American Indian community-specific board for
403.21 reasonable and necessary expenses incurred in aiding and assisting the ombudsperson in
403.22 programs and initiatives.

403.23 Sec. 2. **[3.9216] AMERICAN INDIAN COMMUNITY-SPECIFIC BOARD.**

403.24 Subdivision 1. **Membership.** The board consists of five members who are members of
403.25 a federally recognized Tribe or members of the American Indian community. The chair of
403.26 the Indian Affairs Council shall appoint the members of the board. In making appointments,
403.27 the chair must consult with other members of the council.

403.28 Subd. 2. **Compensation.** Members do not receive compensation but are entitled to
403.29 receive reimbursement for reasonable and necessary expenses incurred doing board-related
403.30 work, including travel for meetings, trainings, and presentations. Board members may also
403.31 receive per diem payments in a manner and amount prescribed by the board.

404.1 Subd. 3. Meetings. The board shall meet regularly at the request of the appointing chair,
404.2 board chair, or ombudsperson. The board must meet at least quarterly. The appointing chair,
404.3 board chair, or ombudsperson may also call special or emergency meetings as necessary.

404.4 Subd. 4. Removal and vacancy. (a) A member may be removed by the appointing
404.5 authority at any time, either for cause, as described in paragraph (b), or after missing three
404.6 consecutive meetings, as described in paragraph (c).

404.7 (b) If a removal is for cause, the member must be given notice and an opportunity for a
404.8 hearing before removal.

404.9 (c) After a member misses two consecutive meetings, and before the next meeting, the
404.10 board chair shall notify the member in writing that the member may be removed if the
404.11 member misses the next meeting. If a member misses three consecutive meetings, the board
404.12 chair must notify the appointing authority.

404.13 (d) If there is a vacancy on the board, the appointing authority shall appoint a person to
404.14 fill the vacancy for the remainder of the unexpired term.

404.15 Subd. 5. Duties. (a) The board shall appoint the Ombudsperson for American Indian
404.16 Families and shall advise and assist the ombudsperson in various ways, including, but not
404.17 limited to:

404.18 (1) selecting matters for attention;

404.19 (2) developing policies, plans, and programs to carry out the ombudsperson's functions
404.20 and powers;

404.21 (3) attending policy meetings when requested by the ombudsperson;

404.22 (4) establishing protocols for working with American Indian communities;

404.23 (5) developing procedures for the ombudsperson's use of the subpoena power to compel
404.24 testimony and evidence from individuals who are not agency personnel; and

404.25 (6) making reports and recommendations for changes designed to improve standards of
404.26 competence, efficiency, justice, and protection of rights.

404.27 (b) The board shall not make individual case recommendations.

404.28 Subd. 6. Grants, gifts, donations, and appropriations. The board may apply for grants
404.29 for the purpose of training and educating the American Indian community on child protection
404.30 issues involving American Indian families. The board may also accept gifts, donations, and
404.31 appropriations for training and education. Grants, gifts, donations, and appropriations
404.32 received by the board shall be used for training and education purposes. The board may

405.1 seek and apply for grants to develop new programs and initiatives and to continue existing
 405.2 programs and initiatives. These funds may also be used to reimburse board members for
 405.3 reasonable and necessary expenses incurred in aiding and assisting the Office of the
 405.4 Ombudsperson for American Indian Families in Office of the Ombudsperson for American
 405.5 Indian Families programs and initiatives, but may not be used for operating expenses for
 405.6 the Office of Ombudsperson for American Indian Families.

405.7 Subd. 7. **Terms and expiration.** The terms and expiration of board membership are
 405.8 governed by section 15.0575.

405.9 Sec. 3. **[119B.195] RETAINING EARLY EDUCATORS THROUGH ATTAINING**
 405.10 **INCENTIVES NOW (REETAIN) GRANT PROGRAM.**

405.11 Subdivision 1. **Establishment; purpose.** The retaining early educators through attaining
 405.12 incentives now (REETAIN) grant program is established to provide competitive grants to
 405.13 incentivize well-trained child care professionals to remain in the workforce. The overall
 405.14 goal of the REETAIN grant program is to create more consistent care for children over time.

405.15 Subd. 2. **Administration.** The commissioner shall administer the REETAIN grant
 405.16 program through a grant to a nonprofit with the demonstrated ability to manage benefit
 405.17 programs for child care professionals. Up to ten percent of grant money may be used for
 405.18 administration of the grant program.

405.19 Subd. 3. **Application.** Applicants must apply for the REETAIN grant program using
 405.20 the forms and according to timelines established by the commissioner.

405.21 Subd. 4. **Eligibility.** (a) To be eligible for a grant, an applicant must:

405.22 (1) be licensed to provide child care or work for a licensed child care program;

405.23 (2) work directly with children at least 30 hours per week;

405.24 (3) have worked in the applicant's current position for at least 12 months;

405.25 (4) agree to work in the early childhood care and education field for at least 12 months
 405.26 upon receiving a grant under this section;

405.27 (5) have a career lattice step of five or higher;

405.28 (6) have a current membership with the Minnesota quality improvement and registry
 405.29 tool;

405.30 (7) not be a current teacher education and compensation helps scholarship recipient; and

405.31 (8) meet any other requirements determined by the commissioner.

406.1 (b) Grant recipients must sign a contract agreeing to remain in the early childhood care
 406.2 and education field for 12 months.

406.3 Subd. 5. Grant awards. Grant awards must be made annually and may be made up to
 406.4 an amount per recipient determined by the commissioner. Grant recipients may use grant
 406.5 money for program supplies, training, or personal expenses.

406.6 Subd. 6. Report. By January 1 each year, the commissioner must report to the legislative
 406.7 committees with jurisdiction over child care about the number of grants awarded to recipients
 406.8 and outcomes of the grant program since the last report.

406.9 Sec. 4. Minnesota Statutes 2020, section 124D.142, is amended to read:

406.10 **124D.142 QUALITY RATING AND IMPROVEMENT SYSTEM.**

406.11 Subdivision 1. System established. ~~(a)~~ There is established a quality rating and
 406.12 improvement system (QRIS) framework, known as Parent Aware, to ensure that Minnesota's
 406.13 children have access to high-quality early learning and care programs in a range of settings
 406.14 so that they are fully ready for kindergarten ~~by 2020. Creation of a standards-based voluntary~~
 406.15 ~~quality rating and improvement system includes:~~

406.16 Subd. 2. System components. The standards-based voluntary quality rating and
 406.17 improvement system includes:

406.18 (1) quality opportunities in order to improve the educational outcomes of children so
 406.19 that they are ready for school. ~~The;~~

406.20 ~~(2)~~ (2) a framework ~~shall be~~ based on the Minnesota quality rating system rating tool and
 406.21 a common set of child outcome and program standards ~~and~~ informed by evaluation results;

406.22 ~~(2)~~ (3) a tool to increase the number of publicly funded and regulated early learning and
 406.23 care services in both public and private market programs that are high quality. ~~If;~~

406.24 (4) voluntary participation ensuring that if a program or provider chooses to participate,
 406.25 the program or provider will be rated and may receive public funding associated with the
 406.26 rating. ~~The state shall develop a plan to link future early learning and care state funding to~~
 406.27 ~~the framework in a manner that complies with federal requirements; and~~

406.28 ~~(3)~~ (5) tracking progress toward statewide access to high-quality early learning and care
 406.29 programs, progress toward the number of low-income children whose parents can access
 406.30 quality programs, and progress toward increasing the number of children who are fully
 406.31 prepared to enter kindergarten.

407.1 ~~(b) In planning a statewide quality rating and improvement system framework in~~
 407.2 ~~paragraph (a), the state shall use evaluation results of the Minnesota quality rating system~~
 407.3 ~~rating tool in use in fiscal year 2008 to recommend:~~

407.4 ~~(1) a framework of a common set of child outcome and program standards for a voluntary~~
 407.5 ~~statewide quality rating and improvement system;~~

407.6 ~~(2) a plan to link future funding to the framework described in paragraph (a), clause (2);~~
 407.7 ~~and~~

407.8 ~~(3) a plan for how the state will realign existing state and federal administrative resources~~
 407.9 ~~to implement the voluntary quality rating and improvement system framework. The state~~
 407.10 ~~shall provide the recommendation in this paragraph to the early childhood education finance~~
 407.11 ~~committees of the legislature by March 15, 2011.~~

407.12 ~~(e) Prior to the creation of a statewide quality rating and improvement system in paragraph~~
 407.13 ~~(a), the state shall employ the Minnesota quality rating system rating tool in use in fiscal~~
 407.14 ~~year 2008 in the original Minnesota Early Learning Foundation pilot areas and additional~~
 407.15 ~~pilot areas supported by private or public funds with its modification as a result of the~~
 407.16 ~~evaluation results of the pilot project.~~

407.17 Subd. 3. **Evaluation.** (a) By February 1, 2022, the commissioner of human services
 407.18 must arrange an independent evaluation of the quality rating and improvement system's
 407.19 effectiveness and impact on:

407.20 (1) children's progress toward school readiness;

407.21 (2) the quality of the early learning and care system supply and workforce;

407.22 (3) parents' ability to access and use meaningful information about early learning and
 407.23 care program quality; and

407.24 (4) providers' ability to serve children and families, including those from racially,
 407.25 ethnically, or culturally diverse backgrounds.

407.26 (b) The evaluation must be performed by a staff member from another agency or a
 407.27 consultant. An evaluator must have experience in program evaluation and must not be
 407.28 regularly involved in implementing the quality rating and improvement system.

407.29 (c) The evaluation findings, along with the commissioner's recommendations for
 407.30 revisions, potential future evaluations, and plans for continuous improvement, must be
 407.31 reported to the chairs and ranking minority members of the legislative committees with
 407.32 jurisdiction over early childhood programs by December 31, 2024.

408.1 (d) At a minimum, the evaluation must:

408.2 (1) analyze the effectiveness of the quality rating and improvement system, including
408.3 but not limited to reviewing:

408.4 (i) whether quality indicators and measures used in the quality rating and improvement
408.5 system are consistent with evidence and research findings on early learning and care program
408.6 quality; and

408.7 (ii) patterns or differences in observed quality of participating early learning and care
408.8 programs in comparison to programs at other quality rating and improvement system star
408.9 rating levels and accounting for other factors;

408.10 (2) perform evidence-based assessments of children's developmental gains aligned with
408.11 the state early childhood indicators of progress, including in ways that are appropriate for
408.12 children's linguistic and cultural backgrounds;

408.13 (3) analyze the extent to which differences in developmental gains among children
408.14 correspond to the star ratings of the early learning and care programs, providing disaggregated
408.15 findings by:

408.16 (i) children's demographic factors, including geographic area, family income level, and
408.17 racial and ethnic groups;

408.18 (ii) type of provider, including family child care providers, child care centers, Head Start
408.19 and Early Head Start, and school-based early childhood providers; and

408.20 (iii) any other categories identified by the commissioner, in consultation with the
408.21 commissioners of health and education or the entity performing the evaluation;

408.22 (4) analyze the accessibility for providers to participate in the quality rating and
408.23 improvement system, including ease of application and supports for a provider to receive
408.24 or improve a rating, and provide disaggregated findings by children's demographic factors
408.25 and type of provider, as each is defined in clause (3);

408.26 (5) analyze the availability of providers participating in the quality rating and
408.27 improvement system to families, and provide disaggregated findings by children's
408.28 demographic factors and type of provider, as each is defined in clause (3);

408.29 (6) analyze the degree to which the quality rating and improvement system accounts for
408.30 racial, cultural, linguistic, and ethnic diversity when measuring quality; and

409.1 (7) analyze the impact of financial or administrative requirements of the quality rating
409.2 and improvement system on family child care providers and child care providers, including
409.3 those providers serving racially, ethnically, and culturally diverse communities.

409.4 (e) The evaluation must include a comparison of the quality rating and improvement
409.5 system with at least three other quality metric systems used in other states. The other chosen
409.6 metric systems must incorporate methods of assessing and monitoring developmental and
409.7 achievement benchmarks in early care and education settings to assess kindergarten readiness,
409.8 including for racially, ethnically, and culturally diverse populations.

409.9 Subd. 4. **Equity report.** The Department of Human Services shall conduct outreach to
409.10 a racially, ethnically, culturally, and geographically diverse group of early learning and care
409.11 providers to identify any barriers that prevent the providers from pursuing a Parent Aware
409.12 rating. The department shall summarize and submit the results of the outreach, along with
409.13 a plan for reducing those barriers, to the chairs and ranking minority members of the
409.14 legislative committees with jurisdiction over early learning and care programs by March 1,
409.15 2022.

409.16 Sec. 5. Minnesota Statutes 2020, section 136A.128, subdivision 2, is amended to read:

409.17 Subd. 2. **Program components.** (a) The nonprofit organization must use the grant for:

409.18 (1) tuition scholarships up to ~~\$5,000~~ \$10,000 per year for courses leading to the nationally
409.19 recognized child development associate credential or college-level courses leading to an
409.20 associate's degree or bachelor's degree in early childhood development and school-age care;
409.21 and

409.22 (2) education incentives of a minimum of ~~\$100~~ \$250 to participants in the tuition
409.23 scholarship program if they complete a year of working in the early care and education
409.24 field.

409.25 (b) Applicants for the scholarship must be employed by a licensed early childhood or
409.26 child care program and working directly with children, a licensed family child care provider,
409.27 employed by a public prekindergarten program, or an employee in a school-age program
409.28 exempt from licensing under section 245A.03, subdivision 2, paragraph (a), clause (12).
409.29 Lower wage earners must be given priority in awarding the tuition scholarships. Scholarship
409.30 recipients must contribute at least ten percent of the total scholarship and must be sponsored
409.31 by their employers, who must also contribute ~~ten~~ at least five percent of the total scholarship.
409.32 Scholarship recipients who are self-employed must contribute 20 percent of the total
409.33 scholarship.

410.1 Sec. 6. Minnesota Statutes 2020, section 136A.128, subdivision 4, is amended to read:

410.2 Subd. 4. **Administration.** A nonprofit organization that receives a grant under this
410.3 section may use ~~five~~ ten percent of the grant amount to administer the program.

410.4 Sec. 7. Minnesota Statutes 2020, section 256.041, is amended to read:

410.5 **256.041 CULTURAL AND ETHNIC COMMUNITIES LEADERSHIP COUNCIL.**

410.6 Subdivision 1. **Establishment; purpose.** There is hereby established the Cultural and
410.7 Ethnic Communities Leadership Council for the Department of Human Services. The purpose
410.8 of the council is to advise the commissioner of human services on ~~reducing~~ implementing
410.9 strategies to reduce inequities and disparities that particularly affect racial and ethnic groups
410.10 in Minnesota.

410.11 Subd. 2. **Members.** (a) The council must consist of:

410.12 (1) the chairs and ranking minority members of the committees in the house of
410.13 representatives and the senate with jurisdiction over human services; and

410.14 (2) no fewer than 15 and no more than 25 members appointed by and serving at the
410.15 pleasure of the commissioner of human services, in consultation with county, tribal, cultural,
410.16 and ethnic communities; diverse program participants; ~~and~~ parent representatives from these
410.17 communities; and cultural and ethnic communities leadership council members.

410.18 (b) In making appointments under this section, the commissioner shall give priority
410.19 consideration to public members of the legislative councils of color established under ~~chapter~~
410.20 3 section 15.0145.

410.21 (c) Members must be appointed to allow for representation of the following groups:

410.22 (1) racial and ethnic minority groups;

410.23 (2) the American Indian community, which must be represented by two members;

410.24 (3) culturally and linguistically specific advocacy groups and service providers;

410.25 (4) human services program participants;

410.26 (5) public and private institutions;

410.27 (6) parents of human services program participants;

410.28 (7) members of the faith community;

410.29 (8) Department of Human Services employees; and

411.1 (9) any other group the commissioner deems appropriate to facilitate the goals and duties
411.2 of the council.

411.3 Subd. 3. **Guidelines.** The commissioner shall direct the development of guidelines
411.4 defining the membership of the council; setting out definitions; and developing duties of
411.5 the commissioner, the council, and council members regarding racial and ethnic disparities
411.6 reduction. The guidelines must be developed in consultation with:

411.7 (1) the chairs of relevant committees; and

411.8 (2) county, tribal, and cultural communities and program participants from these
411.9 communities.

411.10 Subd. 4. **Chair.** The commissioner shall accept recommendations from the council to
411.11 appoint a chair or chairs.

411.12 ~~Subd. 5. **Terms for first appointees.** The initial members appointed shall serve until~~
411.13 ~~January 15, 2016.~~

411.14 Subd. 6. **Terms.** A term shall be for two years and appointees may be reappointed to
411.15 serve two additional terms. The commissioner shall make appointments to replace members
411.16 vacating their positions by January 15 of each year in a timely manner, no more than three
411.17 months after the council reviews panel recommendations.

411.18 Subd. 7. **Duties of commissioner.** (a) The commissioner of human services or the
411.19 commissioner's designee shall:

411.20 (1) maintain and actively engage with the council established in this section;

411.21 (2) supervise and coordinate policies for persons from racial, ethnic, cultural, linguistic,
411.22 and tribal communities who experience disparities in access and outcomes;

411.23 (3) identify human services rules or statutes affecting persons from racial, ethnic, cultural,
411.24 linguistic, and tribal communities that may need to be revised;

411.25 (4) investigate and implement cost-effective, equitable, and culturally responsive models
411.26 of service delivery ~~such as~~ including careful adaptation adoption of clinically proven services
411.27 ~~that constitute one strategy for increasing~~ to increase the number of culturally relevant
411.28 services available to currently underserved populations; ~~and~~

411.29 (5) based on recommendations of the council, review identified department policies that
411.30 maintain racial, ethnic, cultural, linguistic, and tribal disparities; ~~and~~; make adjustments to
411.31 ensure those disparities are not perpetuated; and advise the department on progress and
411.32 accountability measures for addressing inequities;

412.1 (6) in partnership with the council, renew and implement equity policy with action plans
 412.2 and resources necessary to implement the action plans;

412.3 (7) support interagency collaboration to advance equity;

412.4 (8) address the council at least twice annually on the state of equity within the department;
 412.5 and

412.6 (9) support member participation in the council, including participation in educational
 412.7 and community engagement events across Minnesota that address equity in human services.

412.8 (b) The commissioner of human services or the commissioner's designee shall consult
 412.9 with the council and receive recommendations from the council when meeting the
 412.10 requirements in this subdivision.

412.11 Subd. 8. **Duties of council.** The council shall:

412.12 (1) recommend to the commissioner for review ~~identified policies in the~~ Department of
 412.13 Human Services policy, budgetary, and operational decisions and practices that maintain
 412.14 impact racial, ethnic, cultural, linguistic, and tribal disparities;

412.15 (2) with community input, advance legislative proposals to improve racial and health
 412.16 equity outcomes;

412.17 (3) identify issues regarding inequities and disparities by engaging diverse populations
 412.18 in human services programs;

412.19 ~~(3)~~ (4) engage in mutual learning essential for achieving human services parity and
 412.20 optimal wellness for service recipients;

412.21 ~~(4)~~ (5) raise awareness about human services disparities to the legislature and media;

412.22 ~~(5)~~ (6) provide technical assistance and consultation support to counties, private nonprofit
 412.23 agencies, and other service providers to build their capacity to provide equitable human
 412.24 services for persons from racial, ethnic, cultural, linguistic, and tribal communities who
 412.25 experience disparities in access and outcomes;

412.26 ~~(6)~~ (7) provide technical assistance to promote statewide development of culturally and
 412.27 linguistically appropriate, accessible, and cost-effective human services and related policies;

412.28 ~~(7) provide~~ (8) recommend and monitor training and outreach to facilitate access to
 412.29 culturally and linguistically appropriate, accessible, and cost-effective human services to
 412.30 prevent disparities;

413.1 ~~(8) facilitate culturally appropriate and culturally sensitive admissions, continued services,~~
 413.2 ~~discharges, and utilization review for human services agencies and institutions;~~

413.3 (9) form work groups to help carry out the duties of the council that include, but are not
 413.4 limited to, persons who provide and receive services and representatives of advocacy groups,
 413.5 and provide the work groups with clear guidelines, standardized parameters, and tasks for
 413.6 the work groups to accomplish;

413.7 (10) promote information sharing in the human services community and statewide; and

413.8 (11) by February 15 ~~each year~~ in the second year of the biennium, prepare and submit
 413.9 to the chairs and ranking minority members of the committees in the house of representatives
 413.10 and the senate with jurisdiction over human services a report that summarizes the activities
 413.11 of the council, identifies the major problems and issues confronting racial and ethnic groups
 413.12 in accessing human services, makes recommendations to address issues, and lists the specific
 413.13 objectives that the council seeks to attain during the next biennium, and recommendations
 413.14 to strengthen equity, diversity, and inclusion within the department. The report must also
 413.15 ~~include a list of programs, groups, and grants used to reduce disparities, and statistically~~
 413.16 ~~valid reports of outcomes on the reduction of the disparities.~~ identify racial and ethnic groups'
 413.17 difficulty in accessing human services and make recommendations to address the issues.
 413.18 The report must include any updated Department of Human Services equity policy,
 413.19 implementation plans, equity initiatives, and the council's progress.

413.20 Subd. 9. **Duties of council members.** The members of the council shall:

413.21 (1) attend ~~and~~ scheduled meetings with no more than three absences per year, participate
 413.22 in scheduled meetings, and be prepared by reviewing meeting notes;

413.23 (2) maintain open communication channels with respective constituencies;

413.24 (3) identify and communicate issues and risks that could impact the timely completion
 413.25 of tasks;

413.26 (4) collaborate on inequity and disparity reduction efforts;

413.27 (5) communicate updates of the council's work progress and status on the Department
 413.28 of Human Services website; ~~and~~

413.29 (6) participate in any activities the council or chair deems appropriate and necessary to
 413.30 facilitate the goals and duties of the council; and

413.31 (7) participate in work groups to carry out council duties.

413.32 Subd. 10. **Expiration.** The council expires on June 30, ~~2022~~ 2025.

414.1 Subd. 11. **Compensation.** Compensation for members of the council is governed by
 414.2 section 15.059, subdivision 3.

414.3 Sec. 8. Minnesota Statutes 2020, section 257.0755, subdivision 1, is amended to read:

414.4 Subdivision 1. **Creation.** Each ombudsperson shall operate independently from but in
 414.5 collaboration with the community-specific board that appointed the ombudsperson under
 414.6 section 257.0768: ~~the Indian Affairs Council~~, the Minnesota Council on Latino Affairs, the
 414.7 Council for Minnesotans of African Heritage, and the Council on Asian-Pacific Minnesotans.

414.8 Sec. 9. Minnesota Statutes 2020, section 257.076, subdivision 3, is amended to read:

414.9 Subd. 3. **Communities of color.** "Communities of color" means the following: ~~American~~
 414.10 ~~Indian~~, Hispanic-Latino, Asian-Pacific, African, and African-American communities.

414.11 Sec. 10. Minnesota Statutes 2020, section 257.076, subdivision 5, is amended to read:

414.12 Subd. 5. **Family of color.** "Family of color" means any family with a child under the
 414.13 age of 18 who is identified by one or both parents or another trusted adult to be of ~~American~~
 414.14 ~~Indian~~, Hispanic-Latino, Asian-Pacific, African, or African-American descent.

414.15 Sec. 11. Minnesota Statutes 2020, section 257.0768, subdivision 1, is amended to read:

414.16 Subdivision 1. **Membership.** ~~Four~~ Three community-specific boards are created. Each
 414.17 board consists of five members. The chair of each of the following groups shall appoint the
 414.18 board for the community represented by the group: ~~the Indian Affairs Council~~; the Minnesota
 414.19 Council on Latino Affairs; the Council for Minnesotans of African Heritage; and the Council
 414.20 on Asian-Pacific Minnesotans. In making appointments, the chair must consult with other
 414.21 members of the council.

414.22 Sec. 12. Minnesota Statutes 2020, section 257.0768, subdivision 6, is amended to read:

414.23 Subd. 6. **Joint meetings.** The members of the ~~four~~ three community-specific boards
 414.24 shall meet jointly at least four times each year to advise the ombudspersons on overall
 414.25 policies, plans, protocols, and programs for the office.

414.26 Sec. 13. Minnesota Statutes 2020, section 257.0769, is amended to read:

414.27 **257.0769 FUNDING FOR THE OMBUDSPERSON PROGRAM.**

414.28 Subdivision 1. **Appropriations.** (a) ~~money is appropriated from \$23,000 from the special~~
 414.29 ~~fund~~ account authorized by section 256.01, subdivision 2, paragraph (o), is annually

415.1 appropriated to the ~~Indian Affairs Council~~ Office of Ombudsperson for American Indian
 415.2 Families for the ~~purposes~~ purpose of sections ~~257.0755 to 257.0768~~ section 3.9215.

415.3 (b) ~~money is appropriated from \$69,000 from the special fund account~~ authorized by
 415.4 section 256.01, subdivision 2, paragraph (o), is annually appropriated to the ~~Minnesota~~
 415.5 ~~Council on Latino Affairs~~ Office of Ombudsperson for Families for the purposes of sections
 415.6 257.0755 to 257.0768.

415.7 (e) ~~Money is appropriated from the special fund authorized by section 256.01, subdivision~~
 415.8 ~~2, paragraph (o), to the Council for Minnesotans of African Heritage for the purposes of~~
 415.9 ~~sections 257.0755 to 257.0768.~~

415.10 (d) ~~Money is appropriated from the special fund authorized by section 256.01, subdivision~~
 415.11 ~~2, paragraph (o), to the Council on Asian-Pacific Minnesotans for the purposes of sections~~
 415.12 ~~257.0755 to 257.0768.~~

415.13 Subd. 2. **Title IV-E reimbursement.** The commissioner shall obtain federal title IV-E
 415.14 financial participation for eligible activity by the ombudsperson for families under section
 415.15 257.0755 and the ombudsperson for American Indian families under section 3.9215. The
 415.16 ombudsperson for families and the ombudsperson for American Indian families shall maintain
 415.17 and transmit to the Department of Human Services documentation that is necessary in order
 415.18 to obtain federal funds.

415.19 Sec. 14. **TRANSFER OF MONEY.**

415.20 Before the end of fiscal year 2021, the Office of the Ombudsperson for Families must
 415.21 transfer to the Office of the Ombudsperson for American Indian Families any remaining
 415.22 money designated for use by the Ombudsperson for American Indian Families. This section
 415.23 is cost-neutral.

415.24 Sec. 15. **CHILDREN WITH DISABILITIES INCLUSIVE CHILD CARE ACCESS**
 415.25 **EXPANSION GRANT PROGRAM.**

415.26 Subdivision 1. Establishment. (a) The commissioner of human services shall establish
 415.27 a competitive grant program to expand access to licensed family child care providers or
 415.28 licensed child care centers for children with disabilities including medical complexities.
 415.29 The commissioner shall award grants to counties or Tribes, including at least one county
 415.30 from the seven-county metropolitan area and at least one county or Tribe outside the
 415.31 seven-county metropolitan area, and grant funds shall be used to enable child care providers
 415.32 to develop an inclusive child care setting and offer care to children with disabilities and

416.1 children without disabilities. Grants shall be awarded to at least two applicants beginning
416.2 no later than January 15, 2022.

416.3 (b) For purposes of this section, "child with a disability" means a child who has a
416.4 substantial delay or has an identifiable physical, medical, emotional, or mental condition
416.5 that hinders development.

416.6 (c) For purposes of this section, "inclusive child care setting" means child care provided
416.7 in a manner that serves children with disabilities in the same setting as children without
416.8 disabilities.

416.9 Subd. 2. Commissioner's duties. To administer the grant program, the commissioner
416.10 shall:

416.11 (1) consult with relevant stakeholders to develop a request for proposals that at least
416.12 requires grant applicants to identify the items or services and estimated accompanying costs,
416.13 where possible, needed to expand access to inclusive child care settings for children with
416.14 disabilities;

416.15 (2) develop procedures for data collection, qualitative and quantitative measurement of
416.16 grant program outcomes, and reporting requirements for grant recipients;

416.17 (3) convene a working group of grant recipients, partner child care providers, and
416.18 participating families to assess progress on grant activities, share best practices, and collect
416.19 and review data on grant activities; and

416.20 (4) by February 1, 2023, provide a report to the chairs and ranking minority members
416.21 of the legislative committees with jurisdiction over early childhood programs on the activities
416.22 and outcomes of the grant program with legislative recommendations for implementing
416.23 inclusive child care settings statewide. The report shall be made available to the public.

416.24 Subd. 3. Grant activities. Grant recipients shall use grant funds for the cost of facility
416.25 modifications, resources, or services necessary to expand access to inclusive child care
416.26 settings for children with disabilities, including:

416.27 (1) onetime needs to equip a child care setting to serve children with disabilities, including
416.28 but not limited to environmental modifications; accessibility modifications; sensory
416.29 adaptation; training materials and staff time for training, including for substitutes; or
416.30 equipment purchases, including durable medical equipment;

416.31 (2) ongoing medical- or disability-related services for children with disabilities in
416.32 inclusive child care settings, including but not limited to mental health supports; inclusion
416.33 specialist services; home care nursing; behavioral supports; coaching or training for staff

417.1 and substitutes; substitute teaching time; or additional child care staff, an enhanced rate, or
417.2 another mechanism to increase staff-to-child ratio; and

417.3 (3) other expenses determined by the grant recipient and each partner child care provider
417.4 to be necessary to establish an inclusive child care setting and serve children with disabilities
417.5 at the provider's location.

417.6 Subd. 4. **Requirements for grant recipients.** Upon receipt of grant funds and throughout
417.7 the grant period, grant recipients shall:

417.8 (1) partner with at least two but no more than five child care providers, each of which
417.9 must meet one of the following criteria:

417.10 (i) serve 29 or fewer children, including at least two children with a disability who are
417.11 not a family member of the child care provider if the participating child care provider is a
417.12 family child care provider; or

417.13 (ii) serve more than 30 children, including at least three children with a disability;

417.14 (2) develop and follow a process to ensure that grant funding is used to support children
417.15 with disabilities who, without the additional supports made available through the grant,
417.16 would have difficulty accessing an inclusive child care setting;

417.17 (3) pursue funding for ongoing services needed for children with disabilities in inclusive
417.18 child care settings, such as Medicaid or private health insurance coverage; additional grant
417.19 funding; or other funding sources;

417.20 (4) explore and seek opportunities to use existing federal funds to provide ongoing
417.21 support to family child care providers or child care centers serving children with disabilities.
417.22 Grant recipients shall seek to minimize family financial obligations for child care for a child
417.23 with disabilities beyond what child care would cost for a child without disabilities; and

417.24 (5) identify and utilize training resources for child care providers, where available and
417.25 applicable, for at least one of the grant recipient's partner child care providers.

417.26 Subd. 5. **Reporting.** Grant recipients shall report to the commissioner every six months,
417.27 in a manner specified by the commissioner, on the following:

417.28 (1) the number, type, and cost of additional supports needed to serve children with
417.29 disabilities in inclusive child care settings;

417.30 (2) best practices for billing;

417.31 (3) availability and use of funding sources other than through the grant program;

418.1 (4) processes for identifying families of children with disabilities who could benefit
418.2 from grant activities and connecting them with a child care provider interested in serving
418.3 them;

418.4 (5) processes and eligibility criteria used to determine whether a child is a child with a
418.5 disability and means of prioritizing grant funding to serve children with significant support
418.6 needs associated with their disability; and

418.7 (6) any other information deemed relevant by the commissioner.

418.8 **Sec. 16. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; FAMILY**
418.9 **CHILD CARE SHARED SERVICES INNOVATION GRANTS.**

418.10 The commissioner of human services shall establish a grant program to test strategies
418.11 by which family child care providers may share services and thereby achieve economies of
418.12 scale. The commissioner shall report the results of the grant program to the legislative
418.13 committees with jurisdiction over early care and education programs.

418.14 **Sec. 17. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; FOSTER**
418.15 **FAMILY RECRUITMENT AND LICENSING TECHNOLOGY REQUEST FOR**
418.16 **INFORMATION.**

418.17 The commissioner of human services shall publish a request for information to identify
418.18 available technology to support foster family recruitment and training through an online
418.19 portal for potential foster families to apply for licensure online, including the potential costs
418.20 for implementing the technology. The technology shall enable relative families of foster
418.21 youth to apply online and receive real-time support through the online application software;
418.22 offer content in multiple languages; enable tracking of users' ethnic identity to identify
418.23 potential gaps in recruitment and to ensure racial equity in serving foster families; and
418.24 recognize Tribal government sovereignty over data control and recruiting and licensing of
418.25 families to support children in their community. By January 15, 2022, the commissioner
418.26 shall report to the chairs and ranking minority members of the legislative committees with
418.27 jurisdiction over human services on responses received in response to the request for
418.28 information.

419.1 Sec. 18. **AFFORDABLE, HIGH-QUALITY EARLY CARE AND EDUCATION**
419.2 **FOR ALL FAMILIES.**

419.3 Subdivision 1. Goal. It is the goal of the state for all families to have access to affordable,
419.4 high-quality early care and education that enriches, nurtures, and supports children and their
419.5 families. The goal will be achieved by:

419.6 (1) creating a system in which family costs for early care and education are affordable;

419.7 (2) ensuring that a child's access to high-quality early care and education is not determined
419.8 by the child's race, family income, or zip code; and

419.9 (3) ensuring that Minnesota's early childhood educators are qualified, diverse, supported,
419.10 and equitably compensated regardless of setting.

419.11 Subd. 2. Great Start for All Minnesota Children Task Force; establishment. The
419.12 Great Start for All Minnesota Children Task Force is established to develop strategies that
419.13 will meet the goal identified in subdivision 1.

419.14 Subd. 3. Membership. (a) The task force shall consist of the following 15 voting
419.15 members, appointed by the governor, except as otherwise specified:

419.16 (1) two members of the house of representatives, one appointed from the majority party
419.17 by the speaker of the house and one appointed from the minority party by the minority
419.18 leader;

419.19 (2) two members of the senate, one appointed from the majority party by the majority
419.20 leader and one appointed from the minority party by the minority leader;

419.21 (3) two individuals who are directors of a licensed child care center, one from greater
419.22 Minnesota and one from the seven-county metropolitan area;

419.23 (4) two individuals who are license holders of family child care programs, one from
419.24 greater Minnesota and one from the seven-county metropolitan area;

419.25 (5) three individuals who are early childhood educators, one who works in a licensed
419.26 child care center, one who works in a public school-based early childhood program, and
419.27 one who works in a Head Start program or a community education program;

419.28 (6) two parents of children under five years of age, one parent whose child attends a
419.29 private early care and education program and one parent whose child attends a public
419.30 program, and one parent from greater Minnesota and one parent from the seven-county
419.31 metropolitan area;

420.1 (7) one representative of a federally recognized tribe who has expertise in the early care
420.2 and education system; and

420.3 (8) one representative from the Children's Cabinet.

420.4 (b) The task force shall have nonvoting members who participate in meetings and provide
420.5 data and information to the task force upon request. One person appointed by each of the
420.6 commissioners of the following state agencies, one person appointed by the board of each
420.7 of the following organizations, and persons appointed by the governor as specified, shall
420.8 serve as nonvoting members of the task force:

420.9 (1) the Department of Education;

420.10 (2) the Department of Employment and Economic Development;

420.11 (3) the Department of Health;

420.12 (4) the Department of Human Services;

420.13 (5) the Department of Labor and Industry;

420.14 (6) the Department of Management and Budget;

420.15 (7) the Department of Revenue;

420.16 (8) the Minnesota Business Partnership;

420.17 (9) the Minnesota Community Education Association;

420.18 (10) the Minnesota Child Care Association;

420.19 (11) the statewide child care resource and referral network, known as Child Care Aware;

420.20 (12) the Minnesota Head Start Association;

420.21 (13) the Minnesota Association of County Social Service Administrators;

420.22 (14) the Minnesota Chamber of Commerce;

420.23 (15) a member of a statewide advocacy organization that supports and promotes early
420.24 childhood education and welfare, appointed by the governor;

420.25 (16) a faculty representative who teaches early childhood education in a Minnesota
420.26 institution of higher education, appointed by the governor;

420.27 (17) the Minnesota Initiative Foundations;

420.28 (18) a member of the Kids Count on Us Coalition, appointed by the governor;

420.29 (19) the Minnesota Child Care Provider Information Network;

421.1 (20) the Minnesota Association of Child Care Professionals;

421.2 (21) a member of Indigenous Visioning, appointed by the governor; and

421.3 (22) a nationally recognized expert in early care and education financing, appointed by
421.4 the governor.

421.5 Subd. 4. **Administration.** (a) The governor must select a chair or cochair for the task
421.6 force from among the voting members. The first task force meeting shall be convened by
421.7 the chair or cochair and held no later than December 1, 2021. Thereafter, the chair or
421.8 cochair shall convene the task force at least monthly and may convene other meetings as
421.9 necessary. The chair or cochair shall convene meetings in a manner to allow for access
421.10 from diverse geographic locations in Minnesota.

421.11 (b) Compensation of task force members, filling of task force vacancies, and removal
421.12 of task force members shall be governed by Minnesota Statutes, section 15.059, except that
421.13 nonvoting members of the task force shall serve without compensation.

421.14 (c) The commissioner of management and budget shall provide staff and administrative
421.15 services for the task force.

421.16 (d) The task force shall expire upon submission of the final report required under
421.17 subdivision 9.

421.18 (e) The duties of the task force in this section shall be transferred to an applicable state
421.19 agency if specifically authorized under law to carry out such duties.

421.20 (f) The task force is subject to Minnesota Statutes, chapter 13D.

421.21 Subd. 5. **Plan development.** (a) The task force must develop strategies and a plan to
421.22 achieve the goal outlined in subdivision 1 by July 2031.

421.23 (b) The plan must include an affordability standard that clearly identifies the maximum
421.24 percentage of income that a family must pay for early care and education. The standard
421.25 must take into account all relevant factors, including but not limited to:

421.26 (1) the annual income of the family;

421.27 (2) the recommended maximum of income spent on child care expenses from the United
421.28 States Department of Health and Human Services;

421.29 (3) the average cost of private child care for children under the age of five; and

421.30 (4) geographic disparities in child care costs.

422.1 Subd. 6. **Affordable, high-quality early care and education.** In developing the plan
422.2 under subdivision 5, the task force must:

422.3 (1) identify the most efficient infrastructure, benefit mechanisms, and financing
422.4 mechanisms under which families will access financial assistance so that early care and
422.5 education is affordable, high-quality, and easy to access;

422.6 (2) consider how payment rates for child care will be determined and updated;

422.7 (3) describe how the plan will be administered, including the roles for state agencies,
422.8 local government agencies, and community-based organizations and how that plan will
422.9 streamline funding and reduce complexity and fragmentation in the administration of early
422.10 childhood programs; and

422.11 (4) identify how to maintain and encourage the further development of Minnesota's
422.12 mixed-delivery system for early care and education, including licensed family child care,
422.13 to match family preferences.

422.14 Subd. 7. **Workforce compensation.** In developing the plan under subdivision 5, the
422.15 task force must:

422.16 (1) include strategies to increase racial and ethnic equity and diversity in the early care
422.17 and education workforce and recognize the value of cultural competency and multilingualism;

422.18 (2) include a compensation framework that supports recruitment and retention of a
422.19 qualified workforce in every early care and education setting;

422.20 (3) consider the need for and development of a mechanism that ties child care
422.21 reimbursement rates to employee compensation;

422.22 (4) develop affordable, accessible, and aligned pathways to support early childhood
422.23 educators' career and educational advancement;

422.24 (5) set compensation for early childhood educators by reference to compensation for
422.25 elementary school teachers; and

422.26 (6) consider the recommendations from previous work including the Transforming
422.27 Minnesota's Early Childhood Workforce project and other statewide reports on systemic
422.28 issues in early care and education.

422.29 Subd. 8. **Implementation timeline.** The task force must develop an implementation
422.30 timeline that phases in the plan over a period of no more than six years, beginning in July
422.31 2025 and finishing no later than July 2031. In developing the implementation timeline, the
422.32 task force must consider:

423.1 (1) how to simultaneously ensure that child care is affordable to as many families as
423.2 possible while minimizing disruptions in the availability and cost of currently available
423.3 early care and education arrangements;

423.4 (2) the capacity for the state to increase the availability of different types of early care
423.5 and education settings from which a family may choose;

423.6 (3) how the inability to afford and access early care and education settings
423.7 disproportionately affects certain populations; and

423.8 (4) how to provide additional targeted investments for early childhood educators serving
423.9 a high proportion of families currently eligible for or receiving public assistance for early
423.10 care and education.

423.11 Subd. 9. **Required reports.** By December 15, 2022, the task force must submit to the
423.12 governor and legislative committees with jurisdiction over early childhood programs
423.13 preliminary findings and draft implementation plans. By February 1, 2023, the task force
423.14 must submit to the governor and legislative committees with jurisdiction over early childhood
423.15 programs final recommendations and implementation plans pursuant to subdivision 5.

423.16 Sec. 19. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; FAMILY**
423.17 **SUPPORTS AND IMPROVEMENT PROGRAM RECOMMENDATIONS.**

423.18 The commissioner of human services shall collaborate with the children's cabinet to
423.19 engage with the Minnesota Department of Education, the Minnesota Department of Health
423.20 and other relevant state agencies, county and Tribal agencies, child care providers, early
423.21 childhood education providers, school administrators, parents of families who qualify for
423.22 or are receiving state or county assistance, and other service providers working with those
423.23 families to develop recommendations for implementing a family-focused voluntary
423.24 information sharing program intended to improve the effectiveness of public assistance
423.25 programs and the delivery of services to families, including but not limited to the child care
423.26 assistance program, Minnesota family investment program, supplemental nutritional
423.27 assistance program, early learning scholarships, medical assistance, and home visiting
423.28 programs. To the extent possible, the commissioner may use existing data, materials, or
423.29 reports. The commissioner may engage a third-party vendor to assist with developing
423.30 recommendations. The family-focused information sharing program design may include
423.31 data sharing under Minnesota Statutes, section 13.32, subdivision 12. The recommendations
423.32 must include whether grant money is necessary for counties, Tribes, or other agencies for
423.33 costs associated with operating the family-focused information sharing program. The
423.34 recommendations must include an estimated budget and timeline for the project, a proposed

424.1 methodology to distribute grant money to counties, Tribes, or other grantees if needed to
 424.2 operate the project, and deadlines for an interim and final report on the results of the program.
 424.3 The commissioner shall provide the chairs and ranking minority members of the legislative
 424.4 committees with jurisdiction over early childhood and human services programs with
 424.5 recommendations and, if necessary, proposed legislation by January 15, 2023.

424.6 Sec. 20. **REPORT ON PARTICIPATION IN EARLY CHILDHOOD PROGRAMS**
 424.7 **BY CHILDREN IN FOSTER CARE.**

424.8 Subdivision 1. **Reporting requirement.** (a) The commissioner of human services shall
 424.9 report on the participation in early care and education programs by children under six years
 424.10 of age who have experienced foster care, as defined in Minnesota Statutes, section 260C.007,
 424.11 subdivision 18, at any time during the reporting period.

424.12 (b) For purposes of this section, "early care and education program" means Early Head
 424.13 Start and Head Start under the federal Improving Head Start for School Readiness Act of
 424.14 2007; special education programs under Minnesota Statutes, chapter 125A; early learning
 424.15 scholarships under Minnesota Statutes, section 124D.165; school readiness under Minnesota
 424.16 Statutes, sections 124D.15 and 124D.16; school readiness plus under Laws 2017, First
 424.17 Special Session chapter 5, article 8, section 9; voluntary prekindergarten under Minnesota
 424.18 Statutes, section 124D.151; child care assistance under Minnesota Statutes, chapter 119B;
 424.19 and other programs as determined by the commissioner.

424.20 Subd. 2. **Report content.** (a) The report shall provide counts and rates of participation
 424.21 in early care and education programs disaggregated, to the extent practicable, by children's
 424.22 race, ethnicity, age, and county of residence.

424.23 (b) The report may include recommendations for:

424.24 (1) providing the data described in paragraph (a) on an annual basis as part of the report
 424.25 required under Minnesota Statutes, section 257.0725;

424.26 (2) facilitating children's continued participation in early care and education programs
 424.27 after reunification, adoption, or a transfer of permanent legal and physical custody;

424.28 (3) increasing the rates of participation among children and their foster families in early
 424.29 care and education programs, including processes for referrals and follow-up; and

424.30 (4) regularly reporting measures of early childhood well-being for children who have
 424.31 experienced foster care. Measures of early childhood well-being include administrative data
 424.32 from developmental screenings, school readiness assessments, well-child medical visits,
 424.33 and other sources as determined by the commissioner.

425.1 (c) For any recommendation under paragraph (b) not included in the report, the report
425.2 shall provide an explanation and identify resources needed to address the recommendation
425.3 in any future reports.

425.4 (d) The report shall identify any administrative barriers to ensuring that early care and
425.5 education programs are responsive to the cultural, logistical, and racial equity concerns and
425.6 needs of children's foster families and families of origin, and the report shall identify methods
425.7 to ensure that the experiences and feedback from children's foster families and families of
425.8 origin are included in the ongoing implementation of early care and education programs.

425.9 (e) The report shall identify stakeholders who were not consulted in the development
425.10 of the report and provide recommendations for including the stakeholders' contributions in
425.11 future reports.

425.12 Subd. 3. **Data and collaboration.** (a) The report shall use the most current administrative
425.13 data and systems, including the Early Childhood Longitudinal Data System, and publicly
425.14 available data. The report shall identify barriers to other potential data sources and make
425.15 recommendations about accessing and incorporating the data in future reports.

425.16 (b) To the extent practicable, the commissioner shall:

425.17 (1) incorporate the experiences of and feedback from children's foster families and
425.18 families of origin into the content of the report; and

425.19 (2) collaborate and consult with the commissioners of health and education, county
425.20 agencies, early care and education providers, the judiciary, and school districts in developing
425.21 the content of the report.

425.22 Subd. 4. **Submission to legislature.** By December 1, 2022, the commissioner shall
425.23 submit the report required under this section to the legislative committees with jurisdiction
425.24 over early care and education programs.

425.25 Sec. 21. **CHILD CARE STABILIZATION GRANTS.**

425.26 Subdivision 1. **Child care stabilization grants.** The commissioner of human services
425.27 shall award grant money to eligible child care programs to support the stability of the child
425.28 care sector during and after the COVID-19 public health emergency.

425.29 Subd. 2. **Eligible programs.** (a) The following programs are eligible to receive child
425.30 care stabilization grants under this section:

425.31 (1) family and group family child care homes licensed under Minnesota Rules, chapter
425.32 9502;

- 426.1 (2) child care centers licensed under Minnesota Rules, chapter 9503;
- 426.2 (3) certified license-exempt child care centers under Minnesota Statutes, chapter 245H;
- 426.3 (4) legal nonlicensed child care providers as defined in Minnesota Statutes, section
- 426.4 119B.011, subdivision 16; and
- 426.5 (5) other programs as determined by the commissioner.
- 426.6 (b) Programs must not be:
- 426.7 (1) the subject of a finding of fraud;
- 426.8 (2) prohibited from receiving public funds under Minnesota Statutes, section 245.095;
- 426.9 or
- 426.10 (3) under revocation, suspension, temporary immediate suspension, or decertification,
- 426.11 regardless of whether the action is under appeal.
- 426.12 Subd. 3. **Grant requirements.** (a) To receive grant money under this section, an eligible
- 426.13 program must:
- 426.14 (1) complete an application developed by the commissioner for each grant period for
- 426.15 which the eligible program applies for funding;
- 426.16 (2) attest and agree in writing that, for the duration of the grant period, the program will
- 426.17 comply with the requirements in section 2202(d)(2)(D)(i) of the federal American Rescue
- 426.18 Plan Act, Public Law 117-2, including maintaining compensation levels for employees and,
- 426.19 to the extent practicable, providing tuition and co-payment relief to families enrolled in the
- 426.20 program; and
- 426.21 (3) attest and agree in writing that the program intends to remain operating and serving
- 426.22 children for the duration of the grant period, with the exceptions of:
- 426.23 (i) service disruptions that are necessary due to public health guidance to protect the
- 426.24 safety and health of children and child care programs issued by the Centers for Disease
- 426.25 Control and Prevention, the commissioner of health, the commissioner of human services,
- 426.26 or a local public health agency; and
- 426.27 (ii) planned temporary closures for provider vacation and holidays for a duration specified
- 426.28 by the commissioner for each grant period.
- 426.29 (b) Grant recipients must comply with all requirements listed in the application for grants
- 426.30 under this section.

427.1 (c) Grant recipients must use at least 70 percent of base grant awards under subdivision
427.2 4, paragraph (b), to provide increased compensation, benefits, or premium pay to all paid
427.3 employees, sole proprietors, or independent contractors regularly caring for children. Grant
427.4 recipients may request a waiver from this requirement if they cannot increase compensation,
427.5 benefits, or premium pay due to restrictions included in agreements with employee bargaining
427.6 units, or if the program is experiencing unusual and significant financial hardship.

427.7 (d) Grant recipients that fail to meet the requirements under this section are subject to
427.8 discontinuation of future installment payments, recoupment of payments already made, or
427.9 referral to the Office of Inspector General for additional action. Except when based on a
427.10 finding of fraud, actions to establish recoupment must be made within six years of the
427.11 conclusion of the grant program established under this section. Once recoupment is
427.12 established, collection may continue until funds have been repaid in full.

427.13 Subd. 4. **Grant awards.** (a) The commissioner shall award transition grants to all eligible
427.14 programs on a noncompetitive basis through August 31, 2021.

427.15 (b) The commissioner shall award base grant amounts to all eligible programs on a
427.16 noncompetitive basis beginning September 1, 2021, through June 30, 2023. The base grant
427.17 amounts shall be:

427.18 (1) based on the full-time equivalent number of staff who regularly care for children in
427.19 the program, including any employees, sole proprietors, or independent contractors;

427.20 (2) reduced between July 1, 2022, and June 30, 2023, with amounts for the final month
427.21 being no more than 50 percent of the amounts awarded in September 2021; and

427.22 (3) enhanced in amounts determined by the commissioner for any providers receiving
427.23 payments through the child care assistance program under sections 119B.03 and 119B.05
427.24 or early learning scholarships under section 124D.165.

427.25 (c) The commissioner may provide grant amounts in addition to any base grants received
427.26 to eligible programs in extreme financial hardship until all money set aside for that purpose
427.27 is awarded.

427.28 (d) The commissioner may pay any grants awarded to eligible programs under this
427.29 section in the form and manner established by the commissioner, except that such payments
427.30 must occur on a monthly basis.

427.31 Subd. 5. **Eligible uses of grant money.** Grant recipients may use grant money awarded
427.32 under this section for one or more of the following uses directly related to the operation of
427.33 a child care program:

428.1 (1) paying personnel costs, such as payroll, salaries, or similar compensation, employee
428.2 benefits, premium pay, or costs for employee recruitment and retention, for an employee,
428.3 including a sole proprietor or an independent contractor;

428.4 (2) providing relief from co-payments and tuition payments for the families enrolled in
428.5 the program, to the extent possible, with eligible programs prioritizing relief for families
428.6 struggling to make co-payments or tuition payments;

428.7 (3) paying rent, including rent under a lease agreement, or making payments on any
428.8 mortgage obligation, utilities, facility maintenance or improvements, or insurance;

428.9 (4) purchasing personal protective equipment, purchasing cleaning and sanitization
428.10 supplies and services, or obtaining training and professional development related to health
428.11 and safety practices;

428.12 (5) purchasing or updating equipment and supplies to respond to the COVID-19 public
428.13 health emergency;

428.14 (6) purchasing goods and services necessary to maintain or resume child care services;

428.15 (7) providing mental health supports for children and employees; or

428.16 (8) providing reimbursement for losses incurred during the COVID-19 public health
428.17 emergency. An expenditure is eligible for reimbursement if it was for one of the uses
428.18 identified in this subdivision and it was paid between January 31, 2020, and the date of
428.19 application for grants under this section.

428.20 **Sec. 22. DIRECTION TO THE CHILDREN'S CABINET; EARLY CHILDHOOD**
428.21 **GOVERNANCE REPORT.**

428.22 Subdivision 1. **Recommendations.** The Children's Cabinet shall develop
428.23 recommendations on the governance of programs relating to early childhood development,
428.24 care, and learning, including how such programs could be consolidated into an existing
428.25 state agency or a new state Department of Early Childhood. The recommendations shall
428.26 address the impact of such a consolidation on:

428.27 (1) state efforts to ensure that all Minnesota children are kindergarten-ready, with race,
428.28 income, and zip code no longer predictors of school readiness;

428.29 (2) coordination and alignment among programs;

428.30 (3) the effort required of families to receive services to which they are entitled;

428.31 (4) the effort required of service providers to participate in childhood programs; and

429.1 (5) the articulation between early care and education programs and the kindergarten
429.2 through grade 12 system.

429.3 Subd. 2. **Public input.** In developing the recommendations required under subdivision
429.4 1, the Children's Cabinet must provide for a community engagement process to seek input
429.5 from the public and stakeholders.

429.6 Subd. 3. **Report.** (a) The Children's Cabinet shall produce a report that includes:

429.7 (1) the recommendations required under subdivision 1;

429.8 (2) the explanations and reasoning behind such recommendations;

429.9 (3) a description of the community engagement process required under subdivision 2;

429.10 and

429.11 (4) a summary of the feedback received from the public and early care and education
429.12 stakeholders through the community engagement process.

429.13 (b) The Children's Cabinet may arrange for consultants to assist with the development
429.14 of the report.

429.15 (c) By February 1, 2022, the Children's Cabinet shall submit the report to the governor
429.16 and the legislative committees with jurisdiction over early childhood programs.

429.17 Sec. 23. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; FEDERAL**
429.18 **FUND AND CHILD CARE AND DEVELOPMENT BLOCK GRANT**
429.19 **ALLOCATIONS.**

429.20 (a) The commissioner of human services shall allocate \$1,435,000 in fiscal year 2022
429.21 from the child care and development block grant for the quality rating and improvement
429.22 system evaluation and equity report under Minnesota Statutes, section 124D.142, subdivisions
429.23 3 and 4.

429.24 (b) The commissioner of human services shall allocate \$499,000 in fiscal year 2022
429.25 from the child care and development block grant for the ombudsperson for family child
429.26 care providers under Minnesota Statutes, section 245.975.

429.27 (c) The commissioner of human services shall allocate \$858,000 in fiscal year 2022
429.28 from the child care and development block grant for transfer to the commissioner of
429.29 management and budget for the affordable high-quality child care and early education for
429.30 all families working group.

430.1 (d) The commissioner of human services shall allocate \$200,000 in fiscal year 2022
430.2 from the child care and development block grant for transfer to the commissioner of
430.3 management and budget for completion of the early childhood governance report.

430.4 (e) The commissioner of human services shall allocate \$150,000 in fiscal year 2022
430.5 from the child care and development block grant to develop recommendations for
430.6 implementing a family supports and improvement program.

430.7 (f) The commissioner of human services shall allocate \$1,000,000 in fiscal year 2022
430.8 from the child care and development block grant for REETAIN grants under Minnesota
430.9 Statutes, section 119B.195.

430.10 (g) The commissioner of human services shall allocate \$2,000,000 in fiscal year 2022
430.11 from the child care and development block grant for the TEACH program under Minnesota
430.12 Statutes, section 136A.128.

430.13 (h) The commissioner of human services shall allocate \$304,398,000 in fiscal year 2022
430.14 from the federal fund for child care stabilization grants, including up to \$5,000,000 for
430.15 administration.

430.16 (i) The commissioner of human services shall allocate \$200,000 in fiscal year 2022 from
430.17 the federal fund for the shared services pilot program for family child care providers.

430.18 (j) The commissioner of human services shall allocate \$290,000 in fiscal year 2022 from
430.19 the child care and development block grant for a report on participation in early care and
430.20 education programs by children in foster care.

430.21 (k) The commissioner of human services shall allocate \$3,500,000 in fiscal year 2022
430.22 from the child care and development block grant for the commissioner of human services
430.23 to administer the child care and development block grant allocations in this act.

430.24 (l) The allocations in this section are available until June 30, 2025.

430.25 Sec. 24. **REVISOR INSTRUCTION.**

430.26 The revisor of statutes shall renumber Minnesota Statutes, section 136A.128, in Minnesota
430.27 Statutes, chapter 119B. The revisor shall also make necessary cross-reference changes
430.28 consistent with the renumbering.

430.29 **ARTICLE 15**

430.30 **APPROPRIATIONS**

430.31 Section 1. **HEALTH AND HUMAN SERVICES APPROPRIATIONS.**

431.1 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
 431.2 and for the purposes specified in this article. The appropriations are from the general fund,
 431.3 or another named fund, and are available for the fiscal years indicated for each purpose.
 431.4 The figures "2022" and "2023" used in this article mean that the appropriations listed under
 431.5 them are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively.
 431.6 "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium"
 431.7 is fiscal years 2022 and 2023.

431.8 **APPROPRIATIONS**

431.9 **Available for the Year**

431.10 **Ending June 30**

431.11 **2022**

2023

431.12 **Sec. 2. COMMISSIONER OF HUMAN**
 431.13 **SERVICES**

431.14 **Subdivision 1. Total Appropriation** \$ **8,348,475,000** \$ **9,787,516,000**

431.15 **Appropriations by Fund**

	<u>2022</u>	<u>2023</u>
431.16		
431.17 <u>General</u>	<u>7,288,316,000</u>	<u>8,904,078,000</u>
431.18 <u>State Government</u>		
431.19 <u>Special Revenue</u>	<u>4,299,000</u>	<u>4,299,000</u>
431.20 <u>Health Care Access</u>	<u>768,751,000</u>	<u>596,438,000</u>
431.21 <u>Federal TANF</u>	<u>282,653,000</u>	<u>278,245,000</u>
431.22 <u>Lottery Prize</u>	<u>1,896,000</u>	<u>1,896,000</u>
431.23 <u>Opiate Epidemic</u>		
431.24 <u>Response</u>	<u>2,560,000</u>	<u>2,560,000</u>

431.25 The amounts that may be spent for each
 431.26 purpose are specified in the following
 431.27 subdivisions.

431.28 **Subd. 2. TANF Maintenance of Effort**

431.29 **(a) Nonfederal Expenditures.** The
 431.30 commissioner shall ensure that sufficient
 431.31 qualified nonfederal expenditures are made
 431.32 each year to meet the state's maintenance of
 431.33 effort (MOE) requirements of the TANF block
 431.34 grant specified under Code of Federal

432.1 Regulations, title 45, section 263.1. In order
432.2 to meet these basic TANF/MOE requirements,
432.3 the commissioner may report as TANF/MOE
432.4 expenditures only nonfederal money expended
432.5 for allowable activities listed in the following
432.6 clauses:

432.7 (1) MFIP cash, diversionary work program,
432.8 and food assistance benefits under Minnesota
432.9 Statutes, chapter 256J;

432.10 (2) the child care assistance programs under
432.11 Minnesota Statutes, sections 119B.03 and
432.12 119B.05, and county child care administrative
432.13 costs under Minnesota Statutes, section
432.14 119B.15;

432.15 (3) state and county MFIP administrative costs
432.16 under Minnesota Statutes, chapters 256J and
432.17 256K;

432.18 (4) state, county, and tribal MFIP employment
432.19 services under Minnesota Statutes, chapters
432.20 256J and 256K;

432.21 (5) expenditures made on behalf of legal
432.22 noncitizen MFIP recipients who qualify for
432.23 the MinnesotaCare program under Minnesota
432.24 Statutes, chapter 256L;

432.25 (6) qualifying working family credit
432.26 expenditures under Minnesota Statutes, section
432.27 290.0671;

432.28 (7) qualifying Minnesota education credit
432.29 expenditures under Minnesota Statutes, section
432.30 290.0674; and

432.31 (8) qualifying Head Start expenditures under
432.32 Minnesota Statutes, section 119A.50.

433.1 **(b) Nonfederal Expenditures; Reporting.**
433.2 For the activities listed in paragraph (a),
433.3 clauses (2) to (8), the commissioner may
433.4 report only expenditures that are excluded
433.5 from the definition of assistance under Code
433.6 of Federal Regulations, title 45, section
433.7 260.31.

433.8 **(c) Limitation; Exceptions. The**
433.9 commissioner must not claim an amount of
433.10 TANF/MOE in excess of the 75 percent
433.11 standard in Code of Federal Regulations, title
433.12 45, section 263.1(a)(2), except:

433.13 (1) to the extent necessary to meet the 80
433.14 percent standard under Code of Federal
433.15 Regulations, title 45, section 263.1(a)(1), if it
433.16 is determined by the commissioner that the
433.17 state will not meet the TANF work
433.18 participation target rate for the current year;

433.19 (2) to provide any additional amounts under
433.20 Code of Federal Regulations, title 45, section
433.21 264.5, that relate to replacement of TANF
433.22 funds due to the operation of TANF penalties;
433.23 and

433.24 (3) to provide any additional amounts that may
433.25 contribute to avoiding or reducing TANF work
433.26 participation penalties through the operation
433.27 of the excess MOE provisions of Code of
433.28 Federal Regulations, title 45, section
433.29 261.43(a)(2).

433.30 **(d) Supplemental Expenditures. For the**
433.31 purposes of paragraph (d), the commissioner
433.32 may supplement the MOE claim with working
433.33 family credit expenditures or other qualified
433.34 expenditures to the extent such expenditures

434.1 are otherwise available after considering the
434.2 expenditures allowed in this subdivision.

434.3 **(e) Reduction of Appropriations; Exception.**
434.4 The requirement in Minnesota Statutes, section
434.5 256.011, subdivision 3, that federal grants or
434.6 aids secured or obtained under that subdivision
434.7 be used to reduce any direct appropriations
434.8 provided by law, does not apply if the grants
434.9 or aids are federal TANF funds.

434.10 **(f) IT Appropriations Generally. This**
434.11 appropriation includes funds for information
434.12 technology projects, services, and support.
434.13 Notwithstanding Minnesota Statutes, section
434.14 16E.0466, funding for information technology
434.15 project costs shall be incorporated into the
434.16 service level agreement and paid to the Office
434.17 of MN.IT Services by the Department of
434.18 Human Services under the rates and
434.19 mechanism specified in that agreement.

434.20 **(g) Receipts for Systems Project.**
434.21 Appropriations and federal receipts for
434.22 information technology systems projects for
434.23 MAXIS, PRISM, MMIS, ISDS, METS, and
434.24 SSIS must be deposited in the state systems
434.25 account authorized in Minnesota Statutes,
434.26 section 256.014. Money appropriated for
434.27 information technology projects approved by
434.28 the commissioner of the Office of MN.IT
434.29 Services, funded by the legislature, and
434.30 approved by the commissioner of management
434.31 and budget may be transferred from one
434.32 project to another and from development to
434.33 operations as the commissioner of human
434.34 services considers necessary. Any unexpended
434.35 balance in the appropriation for these projects

435.1 does not cancel and is available for ongoing
 435.2 development and operations.

435.3 **(h) Federal SNAP Education and Training**
 435.4 **Grants.** Federal funds available during fiscal
 435.5 years 2022 and 2023 for Supplemental
 435.6 Nutrition Assistance Program Education and
 435.7 Training and SNAP Quality Control
 435.8 Performance Bonus grants are appropriated
 435.9 to the commissioner of human services for the
 435.10 purposes allowable under the terms of the
 435.11 federal award. This paragraph is effective the
 435.12 day following final enactment.

435.13 **Subd. 3. Central Office; Operations**

435.14	<u>Appropriations by Fund</u>		
435.15	<u>General</u>	<u>177,211,000</u>	<u>172,720,000</u>
435.16	<u>State Government</u>		
435.17	<u>Special Revenue</u>	<u>4,174,000</u>	<u>4,174,000</u>
435.18	<u>Health Care Access</u>	<u>16,966,000</u>	<u>16,966,000</u>
435.19	<u>Federal TANF</u>	<u>131,000</u>	<u>100,000</u>

435.20 **(a) Administrative Recovery; Set-Aside.** The
 435.21 commissioner may invoice local entities
 435.22 through the SWIFT accounting system as an
 435.23 alternative means to recover the actual cost of
 435.24 administering the following provisions:
 435.25 (1) Minnesota Statutes, section 125A.744,
 435.26 subdivision 3;
 435.27 (2) Minnesota Statutes, section 245.495,
 435.28 paragraph (b);
 435.29 (3) Minnesota Statutes, section 256B.0625,
 435.30 subdivision 20, paragraph (k);
 435.31 (4) Minnesota Statutes, section 256B.0924,
 435.32 subdivision 6, paragraph (g);
 435.33 (5) Minnesota Statutes, section 256B.0945,
 435.34 subdivision 4, paragraph (d); and

436.1 (6) Minnesota Statutes, section 256F.10,
436.2 subdivision 6, paragraph (b).

436.3 **(b) Background Studies.** (1) \$2,074,000 in
436.4 fiscal year 2022 is from the general fund to
436.5 provide a credit to providers who paid for
436.6 emergency background studies in NETStudy
436.7 2.0.

436.8 (2) \$2,060,000 in fiscal year 2022 is from the
436.9 general fund for the costs of reprocessing
436.10 emergency studies conducted under
436.11 interagency agreements.

436.12 **(c) Family Foster Setting Background**
436.13 **Studies.** \$431,000 in fiscal year 2022 and
436.14 \$453,000 in fiscal year 2023 are from the
436.15 general fund for implementing licensed family
436.16 foster setting background study requirements.
436.17 The general fund base for this appropriation
436.18 is \$225,000 in fiscal year 2024 and \$225,000
436.19 in fiscal year 2025.

436.20 **(d) Cultural and Ethnic Communities**
436.21 **Leadership Council.** \$18,000 in fiscal year
436.22 2022 and \$62,000 in fiscal year 2023 are from
436.23 the general fund for the Cultural and Ethnic
436.24 Communities Leadership Council.

436.25 **(e) Base Level Adjustment.** The general fund
436.26 base is \$163,714,000 in fiscal year 2024 and
436.27 \$163,179,000 in fiscal year 2025.

436.28 **Subd. 4. Central Office; Children and Families**

436.29	<u>Appropriations by Fund</u>		
436.30	<u>General</u>	<u>18,295,000</u>	<u>18,370,000</u>
436.31	<u>Federal TANF</u>	<u>2,582,000</u>	<u>2,582,000</u>

436.32 **(a) Financial Institution Data Match and**
436.33 **Payment of Fees.** The commissioner is
436.34 authorized to allocate up to \$310,000 in fiscal

437.1 year 2022 and \$310,000 in fiscal year 2023
 437.2 from the systems special revenue account to
 437.3 make payments to financial institutions in
 437.4 exchange for performing data matches
 437.5 between account information held by financial
 437.6 institutions and the public authority's database
 437.7 of child support obligors as authorized by
 437.8 Minnesota Statutes, section 13B.06,
 437.9 subdivision 7.

437.10 **(b) Indian Child Welfare Training.**
 437.11 \$1,012,000 in fiscal year 2022 and \$993,000
 437.12 in fiscal year 2023 are from the general fund
 437.13 for establishment and operation of the Tribal
 437.14 Training and Certification Partnership at the
 437.15 University of Minnesota, Duluth campus, to
 437.16 provide training, establish federal Indian Child
 437.17 Welfare Act and Minnesota Indian Family
 437.18 Preservation Act training requirements for
 437.19 county child welfare workers, and develop
 437.20 Indigenous child welfare training for American
 437.21 Indian Tribes. The general fund base for this
 437.22 appropriation is \$1,053,000 in fiscal year 2024
 437.23 and \$1,053,000 in fiscal year 2025.

437.24 **(c) Base Level Adjustment.** The general fund
 437.25 base is \$18,640,000 in fiscal year 2024 and
 437.26 \$18,640,000 in fiscal year 2025.

437.27 **Subd. 5. Central Office; Health Care**

437.28	<u>Appropriations by Fund</u>		
437.29	<u>General</u>	<u>26,397,000</u>	<u>24,804,000</u>
437.30	<u>Health Care Access</u>	<u>30,168,000</u>	<u>28,168,000</u>

437.31 **Base Level Adjustment.** The general fund
 437.32 base is \$24,415,000 in fiscal year 2024 and
 437.33 \$23,557,000 in fiscal year 2025.

437.34 **Subd. 6. Central Office; Continuing Care for**
 437.35 **Older Adults**

438.1	<u>Appropriations by Fund</u>		
438.2	<u>General</u>	<u>21,988,000</u>	<u>22,132,000</u>
438.3	<u>State Government</u>		
438.4	<u>Special Revenue</u>	<u>125,000</u>	<u>125,000</u>

438.5 **(a) Resident Experience Survey and Family**
 438.6 **Survey for Housing with Services**
 438.7 **Establishments and Assisted Living**
 438.8 **Facilities. \$2,593,000 in fiscal year 2022 and**
 438.9 **\$2,593,000 in fiscal year 2023 are from the**
 438.10 **general fund for development and**
 438.11 **administration of a resident experience survey**
 438.12 **and family survey for all housing with services**
 438.13 **establishments and assisted living facilities.**
 438.14 **These appropriations are available in either**
 438.15 **year of the biennium.**

438.16 **(b) Base Level Adjustment. The general fund**
 438.17 **base is \$21,198,000 in fiscal year 2024 and**
 438.18 **\$19,279,000 in fiscal year 2025.**

438.19 **Subd. 7. Central Office; Community Supports**

438.20	<u>Appropriations by Fund</u>		
438.21	<u>General</u>	<u>41,767,000</u>	<u>42,015,000</u>
438.22	<u>Lottery Prize</u>	<u>163,000</u>	<u>163,000</u>
438.23	<u>Opioid Epidemic</u>		
438.24	<u>Response</u>	<u>60,000</u>	<u>60,000</u>

438.25 **(a) Children's Mental Health Residential**
 438.26 **Treatment Work Group. \$70,000 in fiscal**
 438.27 **year 2022 is for the children's mental health**
 438.28 **residential treatment work group.**

438.29 **(b) Base Level Adjustment. The general fund**
 438.30 **base is \$39,668,000 in fiscal year 2024 and**
 438.31 **\$35,479,000 in fiscal year 2025. The opiate**
 438.32 **epidemic response fund base is \$60,000 in**
 438.33 **fiscal year 2024 and \$0 in fiscal year 2025.**

438.34 **Subd. 8. Forecasted Programs; MFIP/DWP**

439.1	<u>Appropriations by Fund</u>		
439.2	<u>General</u>	<u>92,588,000</u>	<u>91,366,000</u>
439.3	<u>Federal TANF</u>	<u>104,285,000</u>	<u>100,852,000</u>
439.4	<u>Subd. 9. Forecasted Programs; MFIP Child Care</u>		
439.5	<u>Assistance</u>	<u>103,347,000</u>	<u>110,695,000</u>
439.6	<u>Subd. 10. Forecasted Programs; General</u>		
439.7	<u>Assistance</u>	<u>53,574,000</u>	<u>52,785,000</u>
439.8	<u>(a) General Assistance Standard. The</u>		
439.9	<u>commissioner shall set the monthly standard</u>		
439.10	<u>of assistance for general assistance units</u>		
439.11	<u>consisting of an adult recipient who is</u>		
439.12	<u>childless and unmarried or living apart from</u>		
439.13	<u>parents or a legal guardian at \$203. The</u>		
439.14	<u>commissioner may reduce this amount</u>		
439.15	<u>according to Laws 1997, chapter 85, article 3,</u>		
439.16	<u>section 54.</u>		
439.17	<u>(b) Emergency General Assistance Limit.</u>		
439.18	<u>The amount appropriated for emergency</u>		
439.19	<u>general assistance is limited to no more than</u>		
439.20	<u>\$6,729,812 in fiscal year 2022 and \$6,729,812</u>		
439.21	<u>in fiscal year 2023. Funds to counties shall be</u>		
439.22	<u>allocated by the commissioner using the</u>		
439.23	<u>allocation method under Minnesota Statutes,</u>		
439.24	<u>section 256D.06.</u>		
439.25	<u>Subd. 11. Forecasted Programs; Minnesota</u>		
439.26	<u>Supplemental Aid</u>	<u>51,779,000</u>	<u>52,486,000</u>
439.27	<u>Subd. 12. Forecasted Programs; Housing</u>		
439.28	<u>Support</u>	<u>183,358,000</u>	<u>192,440,000</u>
439.29	<u>Subd. 13. Forecasted Programs; Northstar Care</u>		
439.30	<u>for Children</u>	<u>110,583,000</u>	<u>121,246,000</u>
439.31	<u>Subd. 14. Forecasted Programs; MinnesotaCare</u>		
439.32	<u>This appropriation is from the health care</u>		
439.33	<u>access fund.</u>		
439.34	<u>Subd. 15. Forecasted Programs; Medical</u>		
439.35	<u>Assistance</u>		

440.1	<u>Appropriations by Fund</u>		
440.2	<u>General</u>	<u>5,408,068,000</u>	<u>6,933,956,000</u>
440.3	<u>Health Care Access</u>	<u>602,596,000</u>	<u>387,193,000</u>

440.4 (a) Behavioral Health Services. \$1,000,000
 440.5 in fiscal year 2022 and \$1,000,000 in fiscal
 440.6 year 2023 are from the general fund for
 440.7 behavioral health services provided by
 440.8 hospitals identified under Minnesota Statutes,
 440.9 section 256.969, subdivision 2b, paragraph
 440.10 (a), clause (4). The increase in payments shall
 440.11 be made by increasing the adjustment under
 440.12 Minnesota Statutes, section 256.969,
 440.13 subdivision 2b, paragraph (e), clause (2).

440.14 (b) Base Level Adjustment. The health care
 440.15 access fund base is \$837,005,000 in fiscal year
 440.16 2024 and \$612,099,000 in fiscal year 2025.

440.17	<u>Subd. 16. Forecasted Programs; Alternative</u>		
440.18	<u>Care</u>	<u>35,227,000</u>	<u>45,922,000</u>

440.19 Alternative Care Transfer. Any money
 440.20 allocated to the alternative care program that
 440.21 is not spent for the purposes indicated does
 440.22 not cancel but must be transferred to the
 440.23 medical assistance account.

440.24	<u>Subd. 17. Forecasted Programs; Behavioral</u>		
440.25	<u>Health Fund</u>	<u>95,923,000</u>	<u>119,125,000</u>

440.26 Subd. 18. Grant Programs; Support Services
 440.27 Grants

440.28	<u>Appropriations by Fund</u>		
440.29	<u>General</u>	<u>8,715,000</u>	<u>8,715,000</u>
440.30	<u>Federal TANF</u>	<u>96,311,000</u>	<u>96,311,000</u>

440.31	<u>Subd. 19. Grant Programs; BSF Child Care</u>		
440.32	<u>Grants</u>	<u>53,350,000</u>	<u>53,362,000</u>

440.33 Base Level Adjustment. The general fund
 440.34 base is \$53,366,000 in fiscal year 2024 and
 440.35 \$53,366,000 in fiscal year 2025.

441.1	<u>Subd. 20. Grant Programs; Child Care</u>		
441.2	<u>Development Grants</u>		<u>1,737,000</u>
			<u>1,737,000</u>
441.3	<u>Subd. 21. Grant Programs; Child Support</u>		
441.4	<u>Enforcement Grants</u>		<u>50,000</u>
			<u>50,000</u>
441.5	<u>Subd. 22. Grant Programs; Children's Services</u>		
441.6	<u>Grants</u>		
441.7	<u>Appropriations by Fund</u>		
441.8	<u>General</u>	<u>52,653,000</u>	<u>52,368,000</u>
441.9	<u>Federal TANF</u>	<u>140,000</u>	<u>140,000</u>
441.10	<u>(a) Title IV-E Adoption Assistance. (1) The</u>		
441.11	<u>commissioner shall allocate funds from the</u>		
441.12	<u>Title IV-E reimbursement to the state from</u>		
441.13	<u>the Fostering Connections to Success and</u>		
441.14	<u>Increasing Adoptions Act for adoptive, foster,</u>		
441.15	<u>and kinship families as required in Minnesota</u>		
441.16	<u>Statutes, section 256N.261.</u>		
441.17	<u>(2) Additional federal reimbursement to the</u>		
441.18	<u>state as a result of the Fostering Connections</u>		
441.19	<u>to Success and Increasing Adoptions Act's</u>		
441.20	<u>expanded eligibility for Title IV-E adoption</u>		
441.21	<u>assistance is for postadoption, foster care,</u>		
441.22	<u>adoption, and kinship services, including a</u>		
441.23	<u>parent-to-parent support network.</u>		
441.24	<u>(b) Initial Implementation of</u>		
441.25	<u>Court-Appointed Counsel in Child</u>		
441.26	<u>Protection Proceedings. \$520,000 in fiscal</u>		
441.27	<u>year 2022 and \$520,000 in fiscal year 2023</u>		
441.28	<u>are from the general fund for county costs,</u>		
441.29	<u>including administrative costs to obtain Title</u>		
441.30	<u>IV-E federal reimbursement, related to</u>		
441.31	<u>court-appointed counsel in child protection</u>		
441.32	<u>proceedings pursuant to Minnesota Statutes,</u>		
441.33	<u>section 260C.163, subdivision 3. The</u>		
441.34	<u>commissioner shall distribute funds to counties</u>		
441.35	<u>based upon their proportional share of</u>		

442.1 emergency protective care hearings averaged
 442.2 over the previous three years. Beginning in
 442.3 fiscal year 2024, the distribution formula shall
 442.4 be based upon the formula recommended by
 442.5 the commissioner in the required legislative
 442.6 report regarding initial implementation of
 442.7 court-appointed counsel in child protection
 442.8 proceedings.

442.9	<u>Subd. 23. Grant Programs; Children and</u>		
442.10	<u>Community Service Grants</u>	<u>61,251,000</u>	<u>61,856,000</u>

442.11	<u>Subd. 24. Grant Programs; Children and</u>		
442.12	<u>Economic Support Grants</u>	<u>29,740,000</u>	<u>29,740,000</u>

442.13 Minnesota Food Assistance Program.
 442.14 Unexpended funds for the Minnesota food
 442.15 assistance program for fiscal year 2022 do not
 442.16 cancel but are available in fiscal year 2023.

442.17 Subd. 25. Grant Programs; Health Care Grants

442.18		<u>Appropriations by Fund</u>	
442.19	<u>General</u>	<u>4,811,000</u>	<u>4,811,000</u>
442.20	<u>Health Care Access</u>	<u>5,547,000</u>	<u>3,465,000</u>

442.21 Onetime Grants for Navigator
 442.22 Organizations. \$2,082,000 in fiscal year 2022
 442.23 is from the health care access fund for grants
 442.24 to organizations with a MNsure grant services
 442.25 navigator assister contract in good standing
 442.26 as of June 30, 2021. The grants to each
 442.27 organization must be in proportion to the
 442.28 number of Medical Assistance and
 442.29 MinnesotaCare enrollees each organization
 442.30 assisted that resulted in a successful
 442.31 enrollment in the second quarter of fiscal year
 442.32 2020, as determined by MNsure's navigator
 442.33 payment process.

442.34	<u>Subd. 26. Grant Programs; Other Long-Term</u>		
442.35	<u>Care Grants</u>	<u>10,608,000</u>	<u>19,513,000</u>

443.1	<u>Base Level Adjustment. The general fund</u>		
443.2	<u>base is \$19,013,000 in fiscal year 2024 and</u>		
443.3	<u>\$1,925,000 in fiscal year 2025.</u>		
443.4	<u>Subd. 27. Grant Programs; Aging and Adult</u>		
443.5	<u>Services Grants</u>	<u>32,995,000</u>	<u>34,445,000</u>
443.6	<u>Base Level Adjustment. The general fund</u>		
443.7	<u>base is \$34,445,000 in fiscal year 2024 and</u>		
443.8	<u>\$32,995,000 in fiscal year 2025.</u>		
443.9	<u>Subd. 28. Grant Programs; Deaf and</u>		
443.10	<u>Hard-of-Hearing Grants</u>	<u>2,886,000</u>	<u>2,886,000</u>
443.11	<u>Subd. 29. Grant Programs; Disabilities Grants</u>	<u>31,398,000</u>	<u>31,010,000</u>
443.12	<u>(a) Training Stipends for Direct Support</u>		
443.13	<u>Services Providers. \$1,000,000 in fiscal year</u>		
443.14	<u>2022 is from the general fund for stipends for</u>		
443.15	<u>individual providers of direct support services</u>		
443.16	<u>as defined in Minnesota Statutes, section</u>		
443.17	<u>256B.0711, subdivision 1. These stipends are</u>		
443.18	<u>available to individual providers who have</u>		
443.19	<u>completed designated voluntary trainings</u>		
443.20	<u>made available through the State-Provider</u>		
443.21	<u>Cooperation Committee formed by the State</u>		
443.22	<u>of Minnesota and the Service Employees</u>		
443.23	<u>International Union Healthcare Minnesota.</u>		
443.24	<u>Any unspent appropriation in fiscal year 2022</u>		
443.25	<u>is available in fiscal year 2023. This is a</u>		
443.26	<u>onetime appropriation. This appropriation is</u>		
443.27	<u>available only if the labor agreement between</u>		
443.28	<u>the state of Minnesota and the Service</u>		
443.29	<u>Employees International Union Healthcare</u>		
443.30	<u>Minnesota under Minnesota Statutes, section</u>		
443.31	<u>179A.54, is approved under Minnesota</u>		
443.32	<u>Statutes, section 3.855.</u>		
443.33	<u>(b) Parent-to-Parent Peer Support. \$125,000</u>		
443.34	<u>in fiscal year 2022 and \$125,000 in fiscal year</u>		
443.35	<u>2023 are from the general fund for a grant to</u>		

444.1 an alliance member of Parent to Parent USA
444.2 to support the alliance member's
444.3 parent-to-parent peer support program for
444.4 families of children with a disability or special
444.5 health care need.

444.6 **(c) Self-Advocacy Grants.** (1) \$143,000 in
444.7 fiscal year 2022 and \$143,000 in fiscal year
444.8 2023 are from the general fund for a grant
444.9 under Minnesota Statutes, section 256.477,
444.10 subdivision 1.

444.11 (2) \$105,000 in fiscal year 2022 and \$105,000
444.12 in fiscal year 2023 are from the general fund
444.13 for subgrants under Minnesota Statutes,
444.14 section 256.477, subdivision 2.

444.15 **(d) Minnesota Inclusion Initiative Grants.**
444.16 \$150,000 in fiscal year 2022 and \$150,000 in
444.17 fiscal year 2023 are from the general fund for
444.18 grants under Minnesota Statutes, section
444.19 256.4772.

444.20 **(e) Grants to Expand Access to Child Care**
444.21 **for Children with Disabilities.** \$250,000 in
444.22 fiscal year 2022 and \$250,000 in fiscal year
444.23 2023 are from the general fund for grants to
444.24 expand access to child care for children with
444.25 disabilities. This is a onetime appropriation.

444.26 **(f) Parenting with a Disability Pilot Project.**
444.27 The general fund base includes \$1,000,000 in
444.28 fiscal year 2024 and \$0 in fiscal year 2025 to
444.29 implement the parenting with a disability pilot
444.30 project.

444.31 **(g) Base Level Adjustment.** The general fund
444.32 base is \$29,260,000 in fiscal year 2024 and
444.33 \$22,260,000 in fiscal year 2025.

445.1	<u>Subd. 30. Grant Programs; Housing Support</u>			
445.2	<u>Grants</u>		<u>19,364,000</u>	<u>19,364,000</u>
445.3	<u>Base Level Adjustment</u> The general fund			
445.4	base is <u>\$18,364,000 in fiscal year 2024 and</u>			
445.5	<u>\$10,364,000 in fiscal year 2025.</u>			
445.6	<u>Subd. 31. Grant Programs; Adult Mental Health</u>			
445.7	<u>Grants</u>			
445.8	<u>Appropriations by Fund</u>			
445.9	<u>General</u>	<u>98,772,000</u>	<u>98,703,000</u>	
445.10	<u>Opiate Epidemic</u>			
445.11	<u>Response</u>	<u>2,000,000</u>	<u>2,000,000</u>	
445.12	<u>(a) Culturally and Linguistically</u>			
445.13	<u>Appropriate Services Implementation</u>			
445.14	<u>Grants.</u> <u>\$2,275,000 in fiscal year 2022 and</u>			
445.15	<u>\$2,206,000 in fiscal year 2023 are from the</u>			
445.16	<u>general fund for grants to disability services,</u>			
445.17	<u>mental health, and substance use disorder</u>			
445.18	<u>treatment providers to implement culturally</u>			
445.19	<u>and linguistically appropriate services</u>			
445.20	<u>standards, according to the implementation</u>			
445.21	<u>and transition plan developed by the</u>			
445.22	<u>commissioner. The general fund base for this</u>			
445.23	<u>appropriation is \$1,655,000 in fiscal year 2024</u>			
445.24	<u>and \$0 in fiscal year 2025.</u>			
445.25	<u>(b) Base Level Adjustment.</u> The general fund			
445.26	base is <u>\$93,295,000 in fiscal year 2024 and</u>			
445.27	<u>\$83,324,000 in fiscal year 2025. The opiate</u>			
445.28	<u>epidemic response fund base is \$2,000,000 in</u>			
445.29	<u>fiscal year 2024 and \$0 in fiscal year 2025.</u>			
445.30	<u>Subd. 32. Grant Programs; Child Mental Health</u>			
445.31	<u>Grants</u>		<u>30,167,000</u>	<u>30,182,000</u>
445.32	<u>(a) Children's Residential Facilities.</u>			
445.33	<u>\$1,964,000 in fiscal year 2022 and \$1,979,000</u>			
445.34	<u>in fiscal year 2023 are to reimburse counties</u>			
445.35	<u>and Tribal governments for a portion of the</u>			

446.1 costs of treatment in children's residential
 446.2 facilities. The commissioner shall distribute
 446.3 the appropriation on an annual basis to
 446.4 counties and Tribal governments
 446.5 proportionally based on a methodology
 446.6 developed by the commissioner.

446.7 **(b) Base Level Adjustment.** The general fund
 446.8 base is \$29,580,000 in fiscal year 2024 and
 446.9 \$27,705,000 in fiscal year 2025.

446.10 **Subd. 33. Grant Programs; Chemical**
 446.11 **Dependency Treatment Support Grants**

446.12	<u>Appropriations by Fund</u>		
446.13	<u>General</u>	<u>4,273,000</u>	<u>4,274,000</u>
446.14	<u>Lottery Prize</u>	<u>1,733,000</u>	<u>1,733,000</u>
446.15	<u>Opiate Epidemic</u>		
446.16	<u>Response</u>	<u>500,000</u>	<u>500,000</u>

446.17 **(a) Problem Gambling.** \$225,000 in fiscal
 446.18 year 2022 and \$225,000 in fiscal year 2023
 446.19 are from the lottery prize fund for a grant to
 446.20 the state affiliate recognized by the National
 446.21 Council on Problem Gambling. The affiliate
 446.22 must provide services to increase public
 446.23 awareness of problem gambling, education,
 446.24 training for individuals and organizations
 446.25 providing effective treatment services to
 446.26 problem gamblers and their families, and
 446.27 research related to problem gambling.

446.28 **(b) Recovery Community Organization**
 446.29 **Grants.** \$2,000,000 in fiscal year 2022 and
 446.30 \$2,000,000 in fiscal year 2023 are from the
 446.31 general fund for grants to recovery community
 446.32 organizations, as defined in Minnesota
 446.33 Statutes, section 254B.01, subdivision 8, to
 446.34 provide for costs and community-based peer
 446.35 recovery support services that are not

447.1 otherwise eligible for reimbursement under
 447.2 Minnesota Statutes, section 254B.05, as part
 447.3 of the continuum of care for substance use
 447.4 disorders. The general fund base for this
 447.5 appropriation is \$2,000,000 in fiscal year 2024
 447.6 and \$0 in fiscal year 2025

447.7 (c) **Base Level Adjustment.** The general fund
 447.8 base is \$4,636,000 in fiscal year 2024 and
 447.9 \$2,636,000 in fiscal year 2025. The opiate
 447.10 epidemic response fund base is \$500,000 in
 447.11 fiscal year 2024 and \$0 in fiscal year 2025.

447.12 Subd. 34. **Direct Care and Treatment - Transfer**
 447.13 **Authority**

447.14 Money appropriated for budget activities under
 447.15 subdivisions 35 to 38 may be transferred
 447.16 between budget activities and between years
 447.17 of the biennium with the approval of the
 447.18 commissioner of management and budget.

447.19 Subd. 35. **Direct Care and Treatment - Mental**
 447.20 **Health and Substance Abuse**

137,934,000

146,710,000

447.21 (a) **Transfer Authority.** Money appropriated
 447.22 to support the continued operations of the
 447.23 Community Addiction Recovery Enterprise
 447.24 (C.A.R.E.) program may be transferred to the
 447.25 enterprise fund for C.A.R.E.

447.26 (b) **Operating Adjustment.** \$2,594,000 in
 447.27 fiscal year 2023 is for the Community
 447.28 Addiction Recovery Enterprise program. The
 447.29 commissioner may transfer \$2,594,000 in
 447.30 fiscal year 2023 to the enterprise fund for
 447.31 Community Addiction Recovery Enterprise.

447.32 Subd. 36. **Direct Care and Treatment -**
 447.33 **Community-Based Services**

17,292,000

19,789,000

447.34 (a) **Transfer Authority.** Money appropriated
 447.35 to support the continued operations of the

448.1 Minnesota State Operated Community
 448.2 Services (MSOCS) program may be
 448.3 transferred to the enterprise fund for MSOCS.

448.4 (b) Operating Adjustment. \$2,381,000 in
 448.5 fiscal year 2023 is for the Minnesota State
 448.6 Operated Community Services program. The
 448.7 commissioner may transfer \$2,381,000 in
 448.8 fiscal year 2023 to the enterprise fund for
 448.9 Minnesota State Operated Community
 448.10 Services.

448.11 <u>Subd. 37. Direct Care and Treatment - Forensic</u>			
448.12 <u>Services</u>		<u>119,206,000</u>	<u>124,415,000</u>

448.13 <u>Subd. 38. Direct Care and Treatment - Sex</u>			
448.14 <u>Offender Program</u>		<u>97,585,000</u>	<u>101,672,000</u>

448.15 Transfer Authority. Money appropriated for
 448.16 the Minnesota sex offender program may be
 448.17 transferred between fiscal years of the
 448.18 biennium with the approval of the
 448.19 commissioner of management and budget.

448.20 <u>Subd. 39. Direct Care and Treatment -</u>			
448.21 <u>Operations</u>		<u>53,424,000</u>	<u>58,414,000</u>

448.22 <u>Subd. 40. Technical Activities</u>			
		<u>79,204,000</u>	<u>78,260,000</u>

448.23 (a) This appropriation is from the federal
 448.24 TANF fund.

448.25 (b) Base Level Adjustment. The TANF fund
 448.26 base is \$71,493,000 in fiscal year 2024 and
 448.27 \$71,493,000 in fiscal year 2025.

448.28 Sec. 3. **COMMISSIONER OF HEALTH**

448.29 <u>Subdivision 1. Total Appropriation</u>			
	<u>\$</u>	<u>282,967,000</u>	<u>\$</u>
		<u>283,702,000</u>	

448.30 <u>Appropriations by Fund</u>			
448.31	<u>2022</u>	<u>2023</u>	
448.32 <u>General</u>	<u>162,464,000</u>	<u>161,977,000</u>	
448.33 <u>State Government</u>			
448.34 <u>Special Revenue</u>	<u>71,278,000</u>	<u>73,180,000</u>	

449.1	<u>Health Care Access</u>	<u>37,512,000</u>	<u>36,832,000</u>
449.2	<u>Federal TANF</u>	<u>11,713,000</u>	<u>11,713,000</u>

449.3 The amounts that may be spent for each
 449.4 purpose are specified in the following
 449.5 subdivisions.

449.6 **Subd. 2. Health Improvement**

449.7 Appropriations by Fund

449.8	<u>General</u>	<u>123,714,000</u>	<u>124,000,000</u>
449.9	<u>State Government</u>		
449.10	<u>Special Revenue</u>	<u>11,967,000</u>	<u>11,290,000</u>
449.11	<u>Health Care Access</u>	<u>37,512,000</u>	<u>36,832,000</u>
449.12	<u>Federal TANF</u>	<u>11,713,000</u>	<u>11,713,000</u>

449.13 **(a) TANF Appropriations. (1) \$3,579,000 in**
 449.14 **fiscal year 2022 and \$3,579,000 in fiscal year**
 449.15 **2023 are from the TANF fund for home**
 449.16 **visiting and nutritional services listed under**
 449.17 **Minnesota Statutes, section 145.882,**
 449.18 **subdivision 7, clauses (6) and (7). Funds must**
 449.19 **be distributed to community health boards**
 449.20 **according to Minnesota Statutes, section**
 449.21 **145A.131, subdivision 1;**

449.22 **(2) \$2,000,000 in fiscal year 2022 and**
 449.23 **\$2,000,000 in fiscal year 2023 are from the**
 449.24 **TANF fund for decreasing racial and ethnic**
 449.25 **disparities in infant mortality rates under**
 449.26 **Minnesota Statutes, section 145.928,**
 449.27 **subdivision 7;**

449.28 **(3) \$4,978,000 in fiscal year 2022 and**
 449.29 **\$4,978,000 in fiscal year 2023 are from the**
 449.30 **TANF fund for the family home visiting grant**
 449.31 **program according to Minnesota Statutes,**
 449.32 **section 145A.17. \$4,000,000 of the funding**
 449.33 **in each fiscal year must be distributed to**
 449.34 **community health boards according to**
 449.35 **Minnesota Statutes, section 145A.131,**

450.1 subdivision 1. \$978,000 of the funding in each
450.2 fiscal year must be distributed to tribal
450.3 governments according to Minnesota Statutes,
450.4 section 145A.14, subdivision 2a;
450.5 (4) \$1,156,000 in fiscal year 2022 and
450.6 \$1,156,000 in fiscal year 2023 are from the
450.7 TANF fund for family planning grants under
450.8 Minnesota Statutes, section 145.925; and
450.9 (5) the commissioner may use up to 6.23
450.10 percent of the funds appropriated from the
450.11 TANF fund each fiscal year to conduct the
450.12 ongoing evaluations required under Minnesota
450.13 Statutes, section 145A.17, subdivision 7, and
450.14 training and technical assistance as required
450.15 under Minnesota Statutes, section 145A.17,
450.16 subdivisions 4 and 5.
450.17 **(b) TANF Carryforward.** Any unexpended
450.18 balance of the TANF appropriation in the first
450.19 year of the biennium does not cancel but is
450.20 available for the second year.
450.21 **(c) Tribal Public Health Grants.** \$500,000
450.22 in fiscal year 2022 and \$500,000 in fiscal year
450.23 2023 are from the general fund for Tribal
450.24 public health grants under Minnesota Statutes,
450.25 section 145A.14, for public health
450.26 infrastructure projects as defined by the Tribal
450.27 government.
450.28 **(d) Public Health Infrastructure Funds.**
450.29 \$6,000,000 in fiscal year 2022 and \$6,000,000
450.30 in fiscal year 2023 are from the general fund
450.31 for public health infrastructure funds to
450.32 distribute to community health boards and
450.33 Tribal governments to support their ability to
450.34 meet national public health standards.

451.1 **(e) Public Health System Assessment and**
451.2 **Oversight.** \$1,500,000 in fiscal year 2022 and
451.3 \$1,500,000 in fiscal year 2023 are from the
451.4 general fund for the commissioner to assess
451.5 the capacity of the public health system to
451.6 meet national public health standards and
451.7 oversee public health system improvement
451.8 efforts.

451.9 **(f) Health Professional Education Loan**
451.10 **Forgiveness.** Notwithstanding the priorities
451.11 and distribution requirements under Minnesota
451.12 Statutes, section 144.1501, \$3,000,000 in
451.13 fiscal year 2022 and \$3,000,000 in fiscal year
451.14 2023 are from the general fund for loan
451.15 forgiveness under article 3, section 43, for
451.16 individuals who are eligible alcohol and drug
451.17 counselors, eligible medical residents, or
451.18 eligible mental health professionals, as defined
451.19 in article 3, section 43. The general fund base
451.20 for this appropriation is \$2,625,000 in fiscal
451.21 year 2024 and \$0 in fiscal year 2025. The
451.22 health care access fund base for this
451.23 appropriation is \$875,000 in fiscal year 2024,
451.24 \$3,500,000 in fiscal year 2025, and \$0 in fiscal
451.25 year 2026.

451.26 **(g) Mental Health Cultural Community**
451.27 **Continuing Education Grant Program.**
451.28 \$500,000 in fiscal year 2022 and \$500,000 in
451.29 fiscal year 2023 are from the general fund for
451.30 the mental health cultural community
451.31 continuing education grant program. This is
451.32 a onetime appropriation

451.33 **(h) Birth Records; Homeless Youth.** \$72,000
451.34 in fiscal year 2022 and \$32,000 in fiscal year
451.35 2023 are from the state government special

452.1 revenue fund for administration and issuance
452.2 of certified birth records and statements of no
452.3 vital record found to homeless youth under
452.4 Minnesota Statutes, section 144.2255.

452.5 **(i) Supporting Healthy Development of**
452.6 **Babies During Pregnancy and Postpartum.**
452.7 \$260,000 in fiscal year 2022 and \$260,000 in
452.8 fiscal year 2023 are from the general fund for
452.9 a grant to the Amherst H. Wilder Foundation
452.10 for the African American Babies Coalition
452.11 initiative for community-driven training and
452.12 education on best practices to support healthy
452.13 development of babies during pregnancy and
452.14 postpartum. Grant funds must be used to build
452.15 capacity in, train, educate, or improve
452.16 practices among individuals, from youth to
452.17 elders, serving families with members who
452.18 are Black, indigenous, or people of color,
452.19 during pregnancy and postpartum. This is a
452.20 onetime appropriation and is available until
452.21 June 30, 2023.

452.22 **(j) Dignity in Pregnancy and Childbirth.**
452.23 \$494,000 in fiscal year 2022 and \$200,000 in
452.24 fiscal year 2023 are from the general fund for
452.25 purposes of Minnesota Statutes, section
452.26 144.1461. Of this appropriation: (1) \$294,000
452.27 in fiscal year 2022 is for a grant to the
452.28 University of Minnesota School of Public
452.29 Health's Center for Antiracism Research for
452.30 Health Equity, to develop a model curriculum
452.31 on anti-racism and implicit bias for use by
452.32 hospitals with obstetric care and birth centers
452.33 to provide continuing education to staff caring
452.34 for pregnant or postpartum women. The model
452.35 curriculum must be evidence-based and must

453.1 meet the criteria in Minnesota Statutes, section
453.2 144.1461, subdivision 2, paragraph (a); and
453.3 (2) \$200,000 in fiscal year 2022 and \$200,000
453.4 in fiscal year 2023 are for purposes of
453.5 Minnesota Statutes, section 144.1461,
453.6 subdivision 3.

453.7 **(k) Congenital Cytomegalovirus (CMV). (1)**
453.8 \$196,000 in fiscal year 2022 and \$196,000 in
453.9 fiscal year 2023 are from the general fund for
453.10 outreach and education on congenital
453.11 cytomegalovirus (CMV) under Minnesota
453.12 Statutes, section 144.064.

453.13 **(2) Contingent on the Advisory Committee on**
453.14 **Heritable and Congenital Disorders**
453.15 **recommending and the commissioner of health**
453.16 **approving inclusion of CMV in the newborn**
453.17 **screening panel in accordance with Minnesota**
453.18 **Statutes, section 144.065, subdivision 3,**
453.19 **paragraph (d), \$656,000 in fiscal year 2023 is**
453.20 **from the state government special revenue**
453.21 **fund for follow-up services.**

453.22 **(l) Nonnarcotic Pain Management and**
453.23 **Wellness. \$649,000 in fiscal year 2022 is from**
453.24 **the general fund for nonnarcotic pain**
453.25 **management and wellness in accordance with**
453.26 **Laws 2019, chapter 63, article 3, section 1,**
453.27 **paragraph (n).**

453.28 **(m) Base Level Adjustments. The general**
453.29 **fund base is \$120,451,000 in fiscal year 2024**
453.30 **and \$115,594,000 in fiscal year 2025. The**
453.31 **health care access fund base is \$38,385,000**
453.32 **in fiscal year 2024 and \$40,644,000 in fiscal**
453.33 **year 2025.**

453.34 **Subd. 3. Health Protection**

454.1	<u>Appropriations by Fund</u>		
454.2	<u>General</u>	<u>27,180,000</u>	<u>26,398,000</u>
454.3	<u>State Government</u>		
454.4	<u>Special Revenue</u>	<u>59,311,000</u>	<u>61,890,000</u>
454.5	<u>(a) Congenital Cytomegalovirus (CMV).</u>		
454.6	<u>Contingent on the Advisory Committee on</u>		
454.7	<u>Heritable and Congenital Disorders</u>		
454.8	<u>recommending and the commissioner of health</u>		
454.9	<u>approving inclusion of congenital</u>		
454.10	<u>cytomegalovirus (CMV) in the newborn</u>		
454.11	<u>screening panel in accordance with Minnesota</u>		
454.12	<u>Statutes, section 144.064, subdivision 3,</u>		
454.13	<u>paragraph (d), \$2,195,000 in fiscal year 2023</u>		
454.14	<u>is from the state government special revenue</u>		
454.15	<u>fund for screening services. The state</u>		
454.16	<u>government special revenue fund base for this</u>		
454.17	<u>appropriation is \$1,644,000 in fiscal year 2024</u>		
454.18	<u>and \$1,644,000 in fiscal year 2025.</u>		
454.19	<u>(b) Transfer; Public Health Response</u>		
454.20	<u>Contingency Account.</u> The commissioner of		
454.21	<u>health shall transfer \$300,000 in fiscal year</u>		
454.22	<u>2022 from the general fund to the public health</u>		
454.23	<u>response contingency account established in</u>		
454.24	<u>Minnesota Statutes, section 144.4199. This is</u>		
454.25	<u>a onetime transfer.</u>		
454.26	<u>(c) Base Level Adjustments.</u> The general		
454.27	<u>fund base is \$26,411,000 in fiscal year 2024</u>		
454.28	<u>and \$26,411,000 in fiscal year 2025. The state</u>		
454.29	<u>government special revenue fund base is</u>		
454.30	<u>\$61,339,000 in fiscal year 2024 and</u>		
454.31	<u>\$61,339,000 in fiscal year 2025.</u>		
454.32	<u>Subd. 4. Health Operations</u>	<u>11,570,000</u>	<u>11,579,000</u>
454.33	<u>Sec. 4. HEALTH-RELATED BOARDS</u>		
454.34	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 27,535,000</u>	<u>\$ 26,960,000</u>

455.1	<u>Appropriations by Fund</u>		
455.2	<u>State Government</u>		
455.3	<u>Special Revenue</u>	<u>27,459,000</u>	<u>26,884,000</u>
455.4	<u>Health Care Access</u>	<u>76,000</u>	<u>76,000</u>
455.5	<u>This appropriation is from the state</u>		
455.6	<u>government special revenue fund unless</u>		
455.7	<u>specified otherwise. The amounts that may be</u>		
455.8	<u>spent for each purpose are specified in the</u>		
455.9	<u>following subdivisions.</u>		
455.10	<u>Subd. 2. Board of Behavioral Health and</u>		
455.11	<u>Therapy</u>	<u>877,000</u>	<u>875,000</u>
455.12	<u>Subd. 3. Board of Chiropractic Examiners</u>		
455.13	<u>Subd. 4. Board of Dentistry</u>	<u>4,228,000</u>	<u>3,753,000</u>
455.14	<u>(a) Administrative Services Unit - Operating</u>		
455.15	<u>Costs. Of this appropriation, \$2,738,000 in</u>		
455.16	<u>fiscal year 2022 and \$2,263,000 in fiscal year</u>		
455.17	<u>2023 are for operating costs of the</u>		
455.18	<u>administrative services unit. The</u>		
455.19	<u>administrative services unit may receive and</u>		
455.20	<u>expend reimbursements for services it</u>		
455.21	<u>performs for other agencies.</u>		
455.22	<u>(b) Administrative Services Unit - Volunteer</u>		
455.23	<u>Health Care Provider Program. Of this</u>		
455.24	<u>appropriation, \$150,000 in fiscal year 2022</u>		
455.25	<u>and \$150,000 in fiscal year 2023 are to pay</u>		
455.26	<u>for medical professional liability coverage</u>		
455.27	<u>required under Minnesota Statutes, section</u>		
455.28	<u>214.40.</u>		
455.29	<u>(c) Administrative Services Unit -</u>		
455.30	<u>Retirement Costs. Of this appropriation,</u>		
455.31	<u>\$475,000 in fiscal year 2022 is a onetime</u>		
455.32	<u>appropriation to the administrative services</u>		
455.33	<u>unit to pay for the retirement costs of</u>		
455.34	<u>health-related board employees. This funding</u>		
455.35	<u>may be transferred to the health board</u>		

456.1 incurring retirement costs. Any board that has
 456.2 an unexpended balance for an amount
 456.3 transferred under this paragraph shall transfer
 456.4 the unexpended amount to the administrative
 456.5 services unit. This appropriation is available
 456.6 in either year of the biennium.

456.7 **(d) Administrative Services Unit - Contested**
 456.8 **Cases and Other Legal Proceedings.** Of this
 456.9 appropriation, \$200,000 in fiscal year 2022
 456.10 and \$200,000 in fiscal year 2023 are for costs
 456.11 of contested case hearings and other
 456.12 unanticipated costs of legal proceedings
 456.13 involving health-related boards funded under
 456.14 this section. Upon certification by a
 456.15 health-related board to the administrative
 456.16 services unit that costs will be incurred and
 456.17 that there is insufficient money available to
 456.18 pay for the costs out of money currently
 456.19 available to that board, the administrative
 456.20 services unit is authorized to transfer money
 456.21 from this appropriation to the board for
 456.22 payment of those costs with the approval of
 456.23 the commissioner of management and budget.
 456.24 The commissioner of management and budget
 456.25 must require any board that has an unexpended
 456.26 balance for an amount transferred under this
 456.27 paragraph to transfer the unexpended amount
 456.28 to the administrative services unit to be
 456.29 deposited in the state government special
 456.30 revenue fund.

456.31	<u>Subd. 5. Board of Dietetics and Nutrition</u>		
456.32	<u>Practice</u>	<u>164,000</u>	<u>164,000</u>
456.33	<u>Subd. 6. Board of Executives for Long Term</u>		
456.34	<u>Services and Supports</u>	<u>693,000</u>	<u>635,000</u>
456.35	<u>Subd. 7. Board of Marriage and Family Therapy</u>	<u>413,000</u>	<u>410,000</u>

457.1	<u>Subd. 8. Board of Medical Practice</u>		<u>5,912,000</u>	<u>5,868,000</u>
457.2	<u>Health Professional Services Program. This</u>			
457.3	<u>appropriation includes \$1,002,000 in fiscal</u>			
457.4	<u>year 2022 and \$1,002,000 in fiscal year 2023</u>			
457.5	<u>for the health professional services program.</u>			
457.6	<u>Subd. 9. Board of Nursing</u>		<u>5,345,000</u>	<u>5,355,000</u>
457.7	<u>Subd. 10. Board of Occupational Therapy</u>			
457.8	<u>Practice</u>		<u>456,000</u>	<u>456,000</u>
457.9	<u>Subd. 11. Board of Optometry</u>		<u>238,000</u>	<u>238,000</u>
457.10	<u>Subd. 12. Board of Pharmacy</u>			
457.11	<u>Appropriations by Fund</u>			
457.12	<u>State Government</u>			
457.13	<u>Special Revenue</u>	<u>4,403,000</u>	<u>4,403,000</u>	
457.14	<u>Health Care Access</u>	<u>76,000</u>	<u>76,000</u>	
457.15	<u>Base Level Adjustment. The health care</u>			
457.16	<u>access fund base is \$76,000 in fiscal year</u>			
457.17	<u>2024, \$38,000 in fiscal year 2025, and \$0 in</u>			
457.18	<u>fiscal year 2026.</u>			
457.19	<u>Subd. 13. Board of Physical Therapy</u>		<u>564,000</u>	<u>564,000</u>
457.20	<u>Subd. 14. Board of Podiatric Medicine</u>		<u>214,000</u>	<u>214,000</u>
457.21	<u>Subd. 15. Board of Psychology</u>		<u>1,362,000</u>	<u>1,360,000</u>
457.22	<u>Subd. 16. Board of Social Work</u>		<u>1,561,000</u>	<u>1,560,000</u>
457.23	<u>Subd. 17. Board of Veterinary Medicine</u>		<u>363,000</u>	<u>363,000</u>
457.24	<u>Sec. 5. EMERGENCY MEDICAL SERVICES</u>			
457.25	<u>REGULATORY BOARD</u>		<u>\$ 4,576,000</u>	<u>\$ 4,576,000</u>
457.26	<u>(a) Cooper/Sams Volunteer Ambulance</u>			
457.27	<u>Program. \$950,000 in fiscal year 2022 and</u>			
457.28	<u>\$950,000 in fiscal year 2023 are for the</u>			
457.29	<u>Cooper/Sams volunteer ambulance program</u>			
457.30	<u>under Minnesota Statutes, section 144E.40.</u>			
457.31	<u>(1) Of this amount, \$861,000 in fiscal year</u>			
457.32	<u>2022 and \$861,000 in fiscal year 2023 are for</u>			
457.33	<u>the ambulance service personnel longevity</u>			

458.1 award and incentive program under Minnesota
458.2 Statutes, section 144E.40.

458.3 (2) Of this amount, \$89,000 in fiscal year 2022
458.4 and \$89,000 in fiscal year 2023 are for the
458.5 operations of the ambulance service personnel
458.6 longevity award and incentive program under
458.7 Minnesota Statutes, section 144E.40.

458.8 (b) **EMSRB Operations.** \$1,880,000 in fiscal
458.9 year 2022 and \$1,880,000 in fiscal year 2023
458.10 are for board operations.

458.11 (c) **Regional Grants for Continuing**
458.12 **Education.** \$585,000 in fiscal year 2022 and
458.13 \$585,000 in fiscal year 2023 are for regional
458.14 emergency medical services programs, to be
458.15 distributed equally to the eight emergency
458.16 medical service regions under Minnesota
458.17 Statutes, section 144E.52.

458.18 (d) **Regional Grants for Local and Regional**
458.19 **Emergency Medical Services.** \$800,000 in
458.20 fiscal year 2022 and \$800,000 in fiscal year
458.21 2023 are for distribution to emergency medical
458.22 services regions for regional emergency
458.23 medical services programs specified in
458.24 Minnesota Statutes, section 144E.50.
458.25 Notwithstanding Minnesota Statutes, section
458.26 144E.50, subdivision 5, in each year the board
458.27 shall distribute the appropriation equally
458.28 among the eight emergency medical services
458.29 regions. This is a onetime appropriation.

458.30 (e) **Ambulance Training Grants.** \$361,000
458.31 in fiscal year 2022 and \$361,000 in fiscal year
458.32 2023 are for training grants under Minnesota
458.33 Statutes, section 144E.35.

459.1	<u>(f) Base Level Adjustment. The general fund</u>			
459.2	<u>base is \$3,776,000 in fiscal year 2024 and</u>			
459.3	<u>\$3,776,000 in fiscal year 2025.</u>			
459.4	Sec. 6. <u>COUNCIL ON DISABILITY</u>	\$	<u>1,022,000</u>	\$ <u>1,038,000</u>
459.5	Sec. 7. <u>OMBUDSMAN FOR MENTAL</u>			
459.6	<u>HEALTH AND DEVELOPMENTAL</u>			
459.7	<u>DISABILITIES</u>	\$	<u>2,487,000</u>	\$ <u>2,536,000</u>
459.8	<u>Department of Psychiatry Monitoring.</u>			
459.9	<u>\$100,000 in fiscal year 2022 and \$100,000 in</u>			
459.10	<u>fiscal year 2023 are for monitoring the</u>			
459.11	<u>Department of Psychiatry at the University of</u>			
459.12	<u>Minnesota.</u>			
459.13	Sec. 8. <u>OMBUDSPERSONS FOR FAMILIES</u>	\$	<u>733,000</u>	\$ <u>744,000</u>
459.14	Sec. 9. <u>OMBUDSPERSON FOR AMERICAN</u>			
459.15	<u>INDIAN FAMILIES</u>	\$	<u>190,000</u>	\$ <u>190,000</u>
459.16	Sec. 10. <u>LEGISLATIVE COORDINATING</u>			
459.17	<u>COMMISSION</u>	\$	<u>132,000</u>	\$ <u>76,000</u>
459.18	<u>Legislative Task Force on Human Services</u>			
459.19	<u>Background Study Disqualifications.</u>			
459.20	<u>\$132,000 in fiscal year 2022 and \$76,000 in</u>			
459.21	<u>fiscal year 2023 are from the general fund for</u>			
459.22	<u>the Legislative Task Force on Human Services</u>			
459.23	<u>Background Study Eligibility. This is a</u>			
459.24	<u>onetime appropriation.</u>			
459.25	Sec. 11. <u>SUPREME COURT</u>	\$	<u>30,000</u>	\$ <u>-0-</u>
459.26	Sec. 12. <u>COMMISSIONER OF</u>			
459.27	<u>MANAGEMENT AND BUDGET</u>	\$	<u>300,000</u>	\$ <u>300,000</u>
459.28	<u>(a) This appropriation is from the opiate</u>			
459.29	<u>epidemic response fund.</u>			
459.30	<u>(b) Evaluation. \$300,000 in fiscal year 2022</u>			
459.31	<u>and \$300,000 in fiscal year 2023 is for</u>			
459.32	<u>evaluation activities under Minnesota Statutes,</u>			
459.33	<u>section 256.042, subdivision 1, paragraph (c).</u>			

460.1 (c) **Transfer.** By July 31, 2021, the
 460.2 commissioner of management and budget shall
 460.3 transfer \$54,802,000 from the general fund to
 460.4 the health care access fund. This is a onetime
 460.5 transfer.

460.6 (d) **Transfer Exception.** For the biennium
 460.7 ending June 30, 2023, \$61,055,000 in the
 460.8 health care access fund is not subject to the
 460.9 transfer in Minnesota Statutes, section
 460.10 16A.724, subdivision 2, paragraph (a). This
 460.11 paragraph expires July 1, 2023.

460.12 (e) **Base Level Adjustment.** The opiate
 460.13 epidemic response fund base is \$300,000 in
 460.14 fiscal year 2024 and \$300,000 in fiscal year
 460.15 2025.

460.16 Sec. 13. Laws 2019, First Special Session chapter 9, article 14, section 3, as amended by
 460.17 Laws 2019, First Special Session chapter 12, section 6, and Laws 2021, chapter 30, article
 460.18 3, section 49, is amended to read:

460.19 **Sec. 3. COMMISSIONER OF HEALTH**

460.20				233,584,000
460.21	Subdivision 1. Total Appropriation	\$	231,829,000	\$ <u>231,174,000</u>

460.22	Appropriations by Fund			
460.23		2020	2021	
460.24				<u>125,881,000</u>
460.25	General	124,381,000	<u>123,471,000</u>	
460.26	State Government			
460.27	Special Revenue	58,450,000	59,158,000	
460.28	Health Care Access	37,285,000	36,832,000	
460.29	Federal TANF	11,713,000	11,713,000	

460.30 The amounts that may be spent for each
 460.31 purpose are specified in the following
 460.32 subdivisions.

460.33 **Subd. 2. Health Improvement**

461.1	Appropriations by Fund		
461.2	General	94,980,000	95,722,000
461.3	State Government		
461.4	Special Revenue	7,614,000	6,924,000
461.5	Health Care Access	37,285,000	36,832,000
461.6	Federal TANF	11,713,000	11,713,000

461.7 (a) **TANF Appropriations.** (1) \$3,579,000 in
 461.8 fiscal year 2020 and \$3,579,000 in fiscal year
 461.9 2021 are from the TANF fund for home
 461.10 visiting and nutritional services under
 461.11 Minnesota Statutes, section 145.882,
 461.12 subdivision 7, clauses (6) and (7). Funds must
 461.13 be distributed to community health boards
 461.14 according to Minnesota Statutes, section
 461.15 145A.131, subdivision 1;

461.16 (2) \$2,000,000 in fiscal year 2020 and
 461.17 \$2,000,000 in fiscal year 2021 are from the
 461.18 TANF fund for decreasing racial and ethnic
 461.19 disparities in infant mortality rates under
 461.20 Minnesota Statutes, section 145.928,
 461.21 subdivision 7;

461.22 (3) \$4,978,000 in fiscal year 2020 and
 461.23 \$4,978,000 in fiscal year 2021 are from the
 461.24 TANF fund for the family home visiting grant
 461.25 program under Minnesota Statutes, section
 461.26 145A.17. \$4,000,000 of the funding in each
 461.27 fiscal year must be distributed to community
 461.28 health boards according to Minnesota Statutes,
 461.29 section 145A.131, subdivision 1. \$978,000 of
 461.30 the funding in each fiscal year must be
 461.31 distributed to tribal governments according to
 461.32 Minnesota Statutes, section 145A.14,
 461.33 subdivision 2a;

461.34 (4) \$1,156,000 in fiscal year 2020 and
 461.35 \$1,156,000 in fiscal year 2021 are from the

462.1 TANF fund for family planning grants under
462.2 Minnesota Statutes, section 145.925; and
462.3 (5) The commissioner may use up to 6.23
462.4 percent of the amounts appropriated from the
462.5 TANF fund each year to conduct the ongoing
462.6 evaluations required under Minnesota Statutes,
462.7 section 145A.17, subdivision 7, and training
462.8 and technical assistance as required under
462.9 Minnesota Statutes, section 145A.17,
462.10 subdivisions 4 and 5.

462.11 **(b) TANF Carryforward.** Any unexpended
462.12 balance of the TANF appropriation in the first
462.13 year of the biennium does not cancel but is
462.14 available for the second year.

462.15 **(c) Comprehensive Suicide Prevention.**
462.16 \$2,730,000 in fiscal year 2020 and \$2,730,000
462.17 in fiscal year 2021 are from the general fund
462.18 for a comprehensive, community-based suicide
462.19 prevention strategy. The funds are allocated
462.20 as follows:

462.21 (1) \$955,000 in fiscal year 2020 and \$955,000
462.22 in fiscal year 2021 are for community-based
462.23 suicide prevention grants authorized in
462.24 Minnesota Statutes, section 145.56,
462.25 subdivision 2. Specific emphasis must be
462.26 placed on those communities with the greatest
462.27 disparities. The base for this appropriation is
462.28 \$1,291,000 in fiscal year 2022 and \$1,291,000
462.29 in fiscal year 2023;

462.30 (2) \$683,000 in fiscal year 2020 and \$683,000
462.31 in fiscal year 2021 are to support
462.32 evidence-based training for educators and
462.33 school staff and purchase suicide prevention
462.34 curriculum for student use statewide, as

463.1 authorized in Minnesota Statutes, section
463.2 145.56, subdivision 2. The base for this
463.3 appropriation is \$913,000 in fiscal year 2022
463.4 and \$913,000 in fiscal year 2023;

463.5 (3) \$137,000 in fiscal year 2020 and \$137,000
463.6 in fiscal year 2021 are to implement the Zero
463.7 Suicide framework with up to 20 behavioral
463.8 and health care organizations each year to treat
463.9 individuals at risk for suicide and support
463.10 those individuals across systems of care upon
463.11 discharge. The base for this appropriation is
463.12 \$205,000 in fiscal year 2022 and \$205,000 in
463.13 fiscal year 2023;

463.14 (4) \$955,000 in fiscal year 2020 and \$955,000
463.15 in fiscal year 2021 are to develop and fund a
463.16 Minnesota-based network of National Suicide
463.17 Prevention Lifeline, providing statewide
463.18 coverage. The base for this appropriation is
463.19 \$1,321,000 in fiscal year 2022 and \$1,321,000
463.20 in fiscal year 2023; and

463.21 (5) the commissioner may retain up to 18.23
463.22 percent of the appropriation under this
463.23 paragraph to administer the comprehensive
463.24 suicide prevention strategy.

463.25 **(d) Statewide Tobacco Cessation.** \$1,598,000
463.26 in fiscal year 2020 and \$2,748,000 in fiscal
463.27 year 2021 are from the general fund for
463.28 statewide tobacco cessation services under
463.29 Minnesota Statutes, section 144.397. The base
463.30 for this appropriation is \$2,878,000 in fiscal
463.31 year 2022 and \$2,878,000 in fiscal year 2023.

463.32 **(e) Health Care Access Survey.** \$225,000 in
463.33 fiscal year 2020 and \$225,000 in fiscal year
463.34 2021 are from the health care access fund to

464.1 continue and improve the Minnesota Health
464.2 Care Access Survey. These appropriations
464.3 may be used in either year of the biennium.

464.4 **(f) Community Solutions for Healthy Child**
464.5 **Development Grant Program.** \$1,000,000
464.6 in fiscal year 2020 and \$1,000,000 in fiscal
464.7 year 2021 are for the community solutions for
464.8 healthy child development grant program to
464.9 promote health and racial equity for young
464.10 children and their families under article 11,
464.11 section 107. The commissioner may use up to
464.12 23.5 percent of the total appropriation for
464.13 administration. The base for this appropriation
464.14 is \$1,000,000 in fiscal year 2022, \$1,000,000
464.15 in fiscal year 2023, and \$0 in fiscal year 2024.

464.16 **(g) Domestic Violence and Sexual Assault**
464.17 **Prevention Program.** \$375,000 in fiscal year
464.18 2020 and \$375,000 in fiscal year 2021 are
464.19 from the general fund for the domestic
464.20 violence and sexual assault prevention
464.21 program under article 11, section 108. This is
464.22 a onetime appropriation.

464.23 **(h) Skin Lightening Products Public**
464.24 **Awareness Grant Program.** \$100,000 in
464.25 fiscal year 2020 and \$100,000 in fiscal year
464.26 2021 are from the general fund for a skin
464.27 lightening products public awareness and
464.28 education grant program. This is a onetime
464.29 appropriation.

464.30 **(i) Cannabinoid Products Workgroup.**
464.31 \$8,000 in fiscal year 2020 is from the state
464.32 government special revenue fund for the
464.33 cannabinoid products workgroup. This is a
464.34 onetime appropriation.

465.1 (j) **Base Level Adjustments.** The general fund
 465.2 base is \$96,742,000 in fiscal year 2022 and
 465.3 \$96,742,000 in fiscal year 2023. The health
 465.4 care access fund base is \$37,432,000 in fiscal
 465.5 year 2022 and \$36,832,000 in fiscal year 2023.

465.6 **Subd. 3. Health Protection**

465.7 Appropriations by Fund

465.8 General	18,803,000	19,774,000
465.9 State Government		
465.10 Special Revenue	50,836,000	52,234,000

465.11 (a) **Public Health Laboratory Equipment.**
 465.12 \$840,000 in fiscal year 2020 and \$655,000 in
 465.13 fiscal year 2021 are from the general fund for
 465.14 equipment for the public health laboratory.
 465.15 This is a onetime appropriation and is
 465.16 available until June 30, 2023.

465.17 (b) **Base Level Adjustment.** The general fund
 465.18 base is \$19,119,000 in fiscal year 2022 and
 465.19 \$19,119,000 in fiscal year 2023. The state
 465.20 government special revenue fund base is
 465.21 \$53,782,000 in fiscal year 2022 and
 465.22 \$53,782,000 in fiscal year 2023.

465.23			10,385,000
465.24 Subd. 4. Health Operations		10,598,000	<u>7,975,000</u>

465.25 **Base Level Adjustment.** The general fund
 465.26 base is \$10,912,000 in fiscal year 2022 and
 465.27 \$10,912,000 in fiscal year 2023.

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

465.29 **Sec. 14. GRANTS FOR PROJECT ECHO.**

465.30 Notwithstanding Laws 2019, chapter 63, article 3, section 1, paragraph (f), the
 465.31 commissioner of human services shall not award the \$200,000 grant to CHI St. Gabriel's
 465.32 Health Family Medical Center in fiscal years 2022, 2023, and 2024, and instead shall issue
 465.33 a competitive request for proposals for another opioid-focused Project ECHO program for
 465.34 the \$200,000 grant in fiscal years 2022, 2023, and 2024. This section expires June 30, 2024.

466.1 Sec. 15. **REDUCTION IN APPROPRIATION AND CANCELLATION; INCENTIVE**
466.2 **PROGRAM.**

466.3 The fiscal year 2021 health care access fund appropriation in Laws 2019, First Special
466.4 Session chapter 9, article 14, section 2, subdivision 25, is reduced by \$2,082,000 and that
466.5 amount is canceled to the health care access fund.

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

466.7 Sec. 16. **REDUCTION IN APPROPRIATION AND CANCELLATION;**
466.8 **NONNARCOTIC PAIN MANAGEMENT AND WELLNESS.**

466.9 The general fund appropriation in Laws 2019, chapter 63, article 3, section 1, paragraph
466.10 (n), is reduced by \$649,000 and that amount is canceled to the general fund.

466.11 **EFFECTIVE DATE.** This section is effective June 30, 2021.

466.12 Sec. 17. **REDUCTION IN APPROPRIATION AND CANCELLATION; RESIDENT**
466.13 **EXPERIENCE SURVEY AND FAMILY SURVEY.**

466.14 The general fund appropriation for the 2020-2021 biennium in Laws 2019, chapter 60,
466.15 article 5, section 1, paragraph (e), is reduced by \$3,858,000 and that amount is canceled to
466.16 the general fund.

466.17 **EFFECTIVE DATE.** This section is effective June 30, 2021.

466.18 Sec. 18. **REDUCTION AND GENERAL FUND APPROPRIATION; CORONAVIRUS**
466.19 **RELIEF FUND REFINANCING.**

466.20 The commissioner of management and budget shall review all appropriations and transfers
466.21 from the general fund in Laws 2020, chapters 66, 70, 71, 74, and 81, and Laws 2020, Seventh
466.22 Special Session chapter 2, to determine whether those appropriations and transfers are
466.23 eligible expenditures from the coronavirus relief fund. The commissioner shall designate
466.24 \$59,547,000 of general fund appropriations and transfers in Laws 2020, chapters 66, 70,
466.25 71, 74, and 81, and Laws 2020, Seventh Special Session chapter 2, as eligible expenditures
466.26 from the coronavirus relief fund. \$59,547,000 of the appropriations and transfers designated
466.27 by the commissioner are canceled to the general fund. The commissioner may designate a
466.28 portion of an appropriation or transfer for cancellation. \$59,547,000 is appropriated from
466.29 the coronavirus relief fund for the purposes of the original general fund appropriation.

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

467.1 **Sec. 19. BLUE RIBBON COMMISSION; REDUCTION IN BUDGET RESERVE.**

467.2 Notwithstanding Laws 2019, First Special Session chapter 9, article 14, section 11, as
467.3 amended by Laws 2019, First Special Session chapter 12, section 7, the commissioner of
467.4 management and budget must reduce the budget reserve by \$100,000,000 on July 1, 2021.
467.5 No reduction to the budget reserve may be implemented under Laws 2019, First Special
467.6 Session chapter 9, article 14, section 11, as amended by Laws 2019, First Special Session
467.7 chapter 12, section 7.

467.8 **Sec. 20. MINNESOTA FAMILY INVESTMENT PROGRAM SUPPLEMENTAL**
467.9 **PAYMENT; ALLOCATION OF FEDERAL FUNDING.**

467.10 The commissioner of human services shall allocate \$14,352,000 in fiscal year 2022 from
467.11 the federal fund to provide a onetime cash benefit of up to \$435 for each assistance unit
467.12 active in the Minnesota family investment program or diversionary work program under
467.13 Minnesota Statutes, chapter 256J, in the month prior to when the cash benefit is distributed.
467.14 The commissioner shall distribute the cash benefit through existing systems and in a manner
467.15 that minimizes the burden to families. This is a onetime allocation.

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

467.17 **Sec. 21. APPROPRIATION; MINNESOTACARE PREMIUMS.**

467.18 \$134,000 in fiscal year 2021 from the general fund and \$44,000 in fiscal year 2021 from
467.19 the health care access fund are appropriated to the commissioner of human services to
467.20 implement changes to MinnesotaCare premiums.

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

467.22 **Sec. 22. APPROPRIATION; OVERPAYMENTS FOR MEDICATION-ASSISTED**
467.23 **TREATMENT SERVICES.**

467.24 \$28,873,000 in fiscal year 2021 is appropriated from the general fund to the commissioner
467.25 of human services to settle the overpayments owed by the Leech Lake Band of Ojibwe and
467.26 the White Earth Band of Chippewa for medication-assisted treatment services between
467.27 fiscal year 2014 and fiscal year 2019. The amount for the Leech Lake Band of Ojibwe is
467.28 \$14,666,000 and the amount for the White Earth Band of Chippewa is \$14,207,000. This
467.29 is a onetime appropriation.

467.30 **EFFECTIVE DATE.** This section is effective June 30, 2021.

468.1 Sec. 23. **APPROPRIATION; REIMBURSEMENT FOR INSTITUTIONS FOR**
468.2 **MENTAL DISEASE PAYMENTS.**

468.3 \$8,328,000 in fiscal year 2021 is appropriated from the general fund to the commissioner
468.4 of human services to reimburse counties for the amount of the statewide county share of
468.5 costs for which federal funds were claimed, but were not eligible for federal funding for
468.6 substance use disorder services provided in institutions for mental disease, for claims paid
468.7 between January 1, 2014, and June 30, 2019. The commissioner of human services shall
468.8 allocate this appropriation between the counties based on the amount that is owed by each
468.9 county. Prior to a county receiving reimbursement, the county must pay in full any unpaid
468.10 behavioral health fund invoiced county share. This is a onetime appropriation.

468.11 **EFFECTIVE DATE.** This section is effective June 30, 2021.

468.12 Sec. 24. **TRANSFERS.**

468.13 Subdivision 1. **Grants.** The commissioner of human services, with the approval of the
468.14 commissioner of management and budget, may transfer unencumbered appropriation balances
468.15 for the biennium ending June 30, 2023, within fiscal years among the MFIP, general
468.16 assistance, medical assistance, MinnesotaCare, MFIP child care assistance under Minnesota
468.17 Statutes, section 119B.05, Minnesota supplemental aid program, group residential housing
468.18 program, the entitlement portion of Northstar Care for Children under Minnesota Statutes,
468.19 chapter 256N, and the entitlement portion of the chemical dependency consolidated treatment
468.20 fund, and between fiscal years of the biennium. The commissioner shall inform the chairs
468.21 and ranking minority members of the legislative committees with jurisdiction over health
468.22 and human services quarterly about transfers made under this subdivision.

468.23 Subd. 2. **Administration.** Positions, salary money, and nonsalary administrative money
468.24 may be transferred within the Departments of Health and Human Services as the
468.25 commissioners consider necessary, with the advance approval of the commissioner of
468.26 management and budget. The commissioners shall inform the chairs and ranking minority
468.27 members of the legislative committees with jurisdiction over health and human services
468.28 finance quarterly about transfers made under this section.

468.29 Sec. 25. **INDIRECT COSTS NOT TO FUND PROGRAMS.**

468.30 The commissioners of health and human services shall not use indirect cost allocations
468.31 to pay for the operational costs of any program for which they are responsible.

469.1 **Sec. 26. REDISTRIBUTION AUTHORITY.**

469.2 (a) For the purposes of securing federal approval of Minnesota's initial state spending
469.3 plan as described in guidance issued by the Centers for Medicare and Medicaid Services
469.4 for implementation of section 9817 of the federal American Rescue Plan Act of 2021, the
469.5 commissioner of human services may modify in the initial state spending plan the amount
469.6 for a purpose contained in this act that is contingent upon federal approval under section
469.7 27 by redistributing the amounts among such purposes as is necessary to secure federal
469.8 approval.

469.9 (b) If federal approval of Minnesota's initial state spending plan requires the commissioner
469.10 to modify in the initial state spending plan the amount for a purpose contained in this act
469.11 that is contingent upon federal approval under section 27 by redistributing the amounts
469.12 among such purpose as is necessary to secure federal approval, the commissioner of human
469.13 services must provide written notice of the modification to the chairs and ranking minority
469.14 members of the house of representatives and senate committees overseeing the Department
469.15 of Human Services upon submitting or resubmitting the initial state spending plan for federal
469.16 approval.

469.17 (c) If Minnesota's initial state spending plan is approved after the commissioner has
469.18 exercised the commissioner's authority under this section, the commissioner may implement
469.19 the federally approved plan including, with the approval of the commissioner of management
469.20 and budget, necessary transfers within and between budget activities, but must prepare draft
469.21 legislation to amend this article in a manner consistent with the modifications and
469.22 redistributions the commissioner made and provide the draft legislation to the chairs and
469.23 ranking minority members of the legislative committees with jurisdiction over home and
469.24 community-based services funding.

469.25 **Sec. 27. CONTINGENT APPROPRIATIONS.**

469.26 Any appropriation in this act for a purpose included in Minnesota's initial state spending
469.27 plan as described in guidance issued by the Centers for Medicare and Medicaid Services
469.28 for implementation of section 9817 of the federal American Rescue Plan Act of 2021 is
469.29 contingent upon approval of that purpose by the Centers for Medicare and Medicaid Services.
469.30 This section expires June 30, 2024.

469.31 **Sec. 28. APPROPRIATION ENACTED MORE THAN ONCE.**

469.32 If an appropriation in this act is enacted more than once in the 2021 legislative session
469.33 or 2021 First Special Session, the appropriation must be given effect only once.

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

470.2 Sec. 29. **EXPIRATION OF UNCODIFIED LANGUAGE.**

470.3 All uncodified language contained in this article expires on June 30, 2023, unless a
470.4 different expiration date is explicit.

470.5 Sec. 30. **EFFECTIVE DATE.**

470.6 This article is effective July 1, 2021, unless a different effective date is specified.

470.7 **ARTICLE 16**

470.8 **HOME AND COMMUNITY-BASED SERVICES; SPECIAL TIME-LIMITED**
470.9 **FUNDING PROVISIONS**

470.10 Section 1. Minnesota Statutes 2020, section 256.478, is amended to read:

470.11 ~~**256.478 HOME AND COMMUNITY-BASED SERVICES TRANSITIONS**~~
470.12 ~~**GRANTS TRANSITION TO COMMUNITY INITIATIVE.**~~

470.13 Subdivision 1. **Purpose.** (a) The commissioner shall ~~make available home and~~
470.14 ~~community-based services~~ establish the transition to community initiative to award grants
470.15 to serve individuals ~~who do not meet eligibility criteria for the medical assistance program~~
470.16 ~~under section 256B.056 or 256B.057, but who otherwise meet the criteria under section~~
470.17 ~~256B.092, subdivision 13, or 256B.49, subdivision 24. for whom supports and services not~~
470.18 covered by medical assistance would allow them to:

470.19 (1) live in the least restrictive setting and as independently as possible;

470.20 (2) build or maintain relationships with family and friends; and

470.21 (3) participate in community life.

470.22 (b) Grantees must ensure that individuals are engaged in a process that involves
470.23 person-centered planning and informed choice decision-making. The informed choice
470.24 decision-making process must provide accessible written information and be experiential
470.25 whenever possible.

470.26 Subd. 2. **Eligibility.** An individual is eligible for the transition to community initiative
470.27 if the individual does not meet eligibility criteria for the medical assistance program under
470.28 section 256B.056 or 256B.057, but who meets at least one of the following criteria:

470.29 (1) the person otherwise meet meets the criteria under section 256B.092, subdivision
470.30 13, or 256B.49, subdivision 24;

471.1 (2) the person has met treatment objectives and no longer requires a hospital-level care
 471.2 or a secure treatment setting, but the person's discharge from the Anoka Metro Regional
 471.3 Treatment Center, the Minnesota Security Hospital, or a community behavioral health
 471.4 hospital would be substantially delayed without additional resources available through the
 471.5 transitions to community initiative;

471.6 (3) the person is in a community hospital and on the waiting list for the Anoka Metro
 471.7 Regional Treatment Center, but alternative community living options would be appropriate
 471.8 for the person, and the person has received approval from the commissioner; or

471.9 (4)(i) the person is receiving customized living services reimbursed under section
 471.10 256B.4914, 24-hour customized living services reimbursed under section 256B.4914, or
 471.11 community residential services reimbursed under section 256B.4914; (ii) the person expresses
 471.12 a desire to move; and (iii) the person has received approval from the commissioner.

471.13 Sec. 2. Laws 2021, chapter 30, article 12, section 5, is amended to read:

471.14 Sec. 5. **GOVERNOR'S COUNCIL ON AN AGE-FRIENDLY MINNESOTA.**

471.15 The Governor's Council on an Age-Friendly Minnesota, established in Executive Order
 471.16 19-38, shall: (1) work to advance age-friendly policies; and (2) coordinate state, local, and
 471.17 private partners' collaborative work on emergency preparedness, with a focus on older
 471.18 adults, communities, and persons in zip codes most impacted by the COVID-19 pandemic.
 471.19 The Governor's Council on an Age-Friendly Minnesota is extended and expires ~~October 1,~~
 471.20 2022 June 30, 2024.

471.21 Sec. 3. **GRANTS FOR TECHNOLOGY FOR HCBS RECIPIENTS.**

471.22 (a) This act includes \$500,000 in fiscal year 2022 and \$2,000,000 in fiscal year 2023
 471.23 for the commissioner of human services to issue competitive grants to home and
 471.24 community-based service providers. Grants must be used to provide technology assistance,
 471.25 including but not limited to Internet services, to older adults and people with disabilities
 471.26 who do not have access to technology resources necessary to use remote service delivery
 471.27 and telehealth. The general fund base included in this act for this purpose is \$1,500,000 in
 471.28 fiscal year 2024 and \$0 in fiscal year 2025.

471.29 (b) All grant activities must be completed by March 31, 2024.

471.30 (c) This section expires June 30, 2024.

472.1 **Sec. 4. DEVELOPMENT OF INDIVIDUAL HCBS PORTAL FOR RECIPIENTS.**

472.2 (a) This act includes \$2,500,000 in fiscal year 2022 and \$2,500,000 in fiscal year 2023
472.3 for the commissioner of human services to develop an online support planning tool for
472.4 people who use home and community-based services waivers. The general fund base included
472.5 in this act for this purpose is \$0 in fiscal year 2024 and \$0 in fiscal year 2025.

472.6 (b) This section expires March 31, 2024.

472.7 **Sec. 5. HOUSING TRANSITIONAL COSTS.**

472.8 Subdivision 1. **Housing transition cost.** (a) This act includes \$682,000 in fiscal year
472.9 2022 and \$1,637,000 in fiscal year 2023 for a onetime payment per transition of up to \$3,000
472.10 to cover costs associated with moving to a community setting that are not covered by other
472.11 sources. Covered costs include: (1) lease or rent deposits; (2) security deposits; (3) utilities
472.12 setup costs, including telephone and Internet services; and (4) essential furnishings and
472.13 supplies. The commissioner of human services shall seek an amendment to the medical
472.14 assistance state plan to allow for these payments as a housing stabilization service under
472.15 Minnesota Statutes, section 256B.051. The general fund base in this act for this purpose is
472.16 \$1,227,000 in fiscal year 2024 and \$0 in fiscal year 2025.

472.17 (b) This subdivision expires March 31, 2024.

472.18 Subd. 2. **Community living infrastructure.** (a) This act includes \$4,000,000 in fiscal
472.19 year 2022 and \$4,000,000 in fiscal year 2023 for additional funding for grants under
472.20 Minnesota Statutes, section 256I.09. In addition to the allowable uses of grants awarded
472.21 under Minnesota Statutes, section 256I.09, grants may also be used to provide direct
472.22 assistance to individuals to access or maintain housing in community settings. Allowable
472.23 uses of grant funds include: (1) lease or rent deposits; (2) security deposits; (3) utilities setup
472.24 costs, including telephone and Internet services; (4) essential furnishings and supplies; and
472.25 (5) costs related to expungement, including filing fees and attorney fees. The general fund
472.26 base in this act for this purpose is \$3,000,000 in fiscal year 2024 and \$0 in fiscal year 2025.

472.27 (b) All grant activities must be completed by March 31, 2024.

472.28 (c) This subdivision expires June 30, 2024.

472.29 **EFFECTIVE DATE.** Subdivision 1 is effective January 1, 2021, or upon federal
472.30 approval, whichever is later. The commissioner of human services shall notify the revisor
472.31 of statutes when federal approval is obtained.

473.1 Sec. 6. **TRANSITION TO COMMUNITY INITIATIVE.**

473.2 (a) This act includes \$5,500,000 in fiscal year 2022 and \$5,500,000 in fiscal year 2023
473.3 for additional funding for grants awarded under the transition to community initiative
473.4 described in Minnesota Statutes, section 256.478. The general fund base in this act for this
473.5 purpose is \$4,125,000 in fiscal year 2024 and \$0 in fiscal year 2025.

473.6 (b) All grant activities must be completed by March 31, 2024.

473.7 (c) This section expires June 30, 2024.

473.8 Sec. 7. **LEAD AGENCY PROCESS MAPPING.**

473.9 (a) This act includes \$1,115,000 in fiscal year 2022 and \$1,751,000 in fiscal year 2023
473.10 for the commissioner of human services to review lead agency policies and business practices
473.11 and to identify potential efficiencies in long-term care consultation services. The
473.12 commissioner must make recommendations to lead agencies based on the review. The
473.13 commissioner of human services shall produce a guide documenting the process for
473.14 determining medical assistance eligibility and authorization of long-term services and
473.15 supports. The commissioner must ensure that the guide is available in accessible formats
473.16 and in multiple languages. The commissioner must ensure the guide is available to people
473.17 and families that request long-term care consultation services. The general fund base in this
473.18 act for this purpose is \$1,188,000 in fiscal year 2024 and \$0 in fiscal year 2025.

473.19 (b) This section expires March 31, 2024.

473.20 Sec. 8. **AGE-FRIENDLY MINNESOTA.**

473.21 Subdivision 1. **Age-friendly community grants.** (a) This act includes \$0 in fiscal year
473.22 2022 and \$875,000 in fiscal year 2023 for age-friendly community grants. The commissioner
473.23 of human services, in collaboration with the Minnesota Board on Aging and the Governor's
473.24 Council on an Age-Friendly Minnesota, established in Executive Order 19-38, shall develop
473.25 the age-friendly community grant program to help communities, including cities, counties,
473.26 other municipalities, tribes, and collaborative efforts, to become age-friendly communities,
473.27 with an emphasis on structures, services, and community features necessary to support older
473.28 adult residents over the next decade, including but not limited to:

473.29 (1) coordination of health and social services;

473.30 (2) transportation access;

473.31 (3) safe, affordable places to live;

- 474.1 (4) reducing social isolation and improving wellness;
474.2 (5) combating ageism and racism against older adults;
474.3 (6) accessible outdoor space and buildings;
474.4 (7) communication and information technology access; and
474.5 (8) opportunities to stay engaged and economically productive.

474.6 The general fund base in this act for this purpose is \$875,000 in fiscal year 2024 and \$0 in
474.7 fiscal year 2025.

474.8 (b) All grant activities must be completed by March 31, 2024.

474.9 (c) This subdivision expires June 30, 2024.

474.10 Subd. 2. **Technical assistance grants.** (a) This act includes \$0 in fiscal year 2022 and
474.11 \$575,000 in fiscal year 2023 for technical assistance grants. The commissioner of human
474.12 services, in collaboration with the Minnesota Board on Aging and the Governor's Council
474.13 on an Age-Friendly Minnesota, established in Executive Order 19-38, shall develop the
474.14 age-friendly technical assistance grant program. The general fund base in this act for this
474.15 purpose is \$575,000 in fiscal year 2024 and \$0 in fiscal year 2025.

474.16 (b) All grant activities must be completed by March 31, 2024.

474.17 (c) This subdivision expires June 30, 2024.

474.18 Sec. 9. **CONTINUITY OF CARE FOR STUDENTS WITH BEHAVIORAL HEALTH**
474.19 **AND DISABILITY SUPPORT NEEDS.**

474.20 This act includes \$70,000 in fiscal year 2022 and \$0 in fiscal year 2023 for the
474.21 commissioner of human services to collaborate with the commissioner of education and
474.22 consult with stakeholders to: (1) identify strategies to streamline access and reimbursement
474.23 for behavioral health services for students who are enrolled in medical assistance and have
474.24 individualized education programs or individualized family services plans; and (2) avoid
474.25 duplication of services and procedures to the extent practicable. The commissioners must
474.26 identify strategies to reduce administrative burdens for schools while ensuring continuity
474.27 of care for students accessing services when not in school. By January 15, 2022, the
474.28 commissioners must report their findings and recommendations to the chairs and ranking
474.29 minority members of the legislative committees with jurisdiction over early learning
474.30 education through grade 12 and health and human services policy and finance. The general
474.31 fund base in this act for this purpose is \$0 in fiscal year 2024 and \$0 in fiscal year 2025.

475.1 **Sec. 10. PROVIDER CAPACITY GRANTS FOR RURAL AND UNDERSERVED**
475.2 **COMMUNITIES.**

475.3 (a) This act includes \$6,000,000 in fiscal year 2022 and \$8,000,000 in fiscal year 2023
475.4 for the commissioner to establish a grant program for small provider organizations that
475.5 provide services to rural or underserved communities with limited home and
475.6 community-based services provider capacity. The grants are available to build organizational
475.7 capacity to provide home and community-based services in Minnesota and to build new or
475.8 expanded infrastructure to access medical assistance reimbursement. The general fund base
475.9 in this act for this purpose is \$8,000,000 in fiscal year 2024 and \$0 in fiscal year 2025.

475.10 (b) The commissioner shall conduct community engagement, provide technical assistance,
475.11 and establish a collaborative learning community related to the grants available under this
475.12 section and work with the commissioner of management and budget and the commissioner
475.13 of the Department of Administration to mitigate barriers in accessing grant funds. Funding
475.14 awarded for the community engagement activities described in this paragraph is exempt
475.15 from state solicitation requirements under Minnesota Statutes, section 16B.97, for activities
475.16 that occur in fiscal year 2022.

475.17 (c) All grant activities must be completed by March 31, 2024.

475.18 (d) This section expires June 30, 2024.

475.19 **Sec. 11. EXPAND MOBILE CRISIS.**

475.20 (a) This act includes \$8,000,000 in fiscal year 2022 and \$8,000,000 in fiscal year 2023
475.21 for additional funding for grants for adult mobile crisis services under Minnesota Statutes,
475.22 section 245.4661, subdivision 9, paragraph (b), clause (15). The general fund base in this
475.23 act for this purpose is \$4,000,000 in fiscal year 2024 and \$0 in fiscal year 2025.

475.24 (b) Beginning April 1, 2024, counties may fund and continue conducting activities
475.25 funded under this section.

475.26 (c) All grant activities must be completed by March 31, 2024.

475.27 (d) This section expires June 30, 2024.

475.28 **Sec. 12. PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY AND CHILD**
475.29 **AND ADOLESCENT MOBILE TRANSITION UNIT.**

475.30 (a) This act includes \$2,500,000 in fiscal year 2022 and \$2,500,000 in fiscal year 2023
475.31 for the commissioner of human services to create children's mental health transition and

476.1 support teams to facilitate transition back to the community of children from inpatient
476.2 treatment facilities, psychiatric residential treatment facilities, and child and adolescent
476.3 behavioral health hospitals. The general fund base included in this act for this purpose is
476.4 \$1,875,000 in fiscal year 2024 and \$0 in fiscal year 2025.

476.5 (b) Beginning April 1, 2024, counties may fund and continue conducting activities
476.6 funded under this section.

476.7 (c) This section expires March 31, 2024.

476.8 **Sec. 13. REDUCING RELIANCE ON CHILDREN'S CONGREGATE-CARE**
476.9 **SETTINGS.**

476.10 This act includes \$200,000 in fiscal year 2022 and \$0 in fiscal year 2023 for an analysis
476.11 of the utilization and efficacy of current residential and psychiatric residential treatment
476.12 facility treatment options for children under the state Medicaid program. The commissioner
476.13 of human services must conduct the analysis. When conducting the analysis, the
476.14 commissioner must collaborate with the Department of Health, the Department of Education,
476.15 hospitals, children's treatment facilities, social workers, juvenile justice officials, and parents
476.16 of children receiving care. The commissioner may collaborate with children receiving care
476.17 when conducting the analysis. By February 1, 2022, the commissioner must submit to the
476.18 chairs and ranking minority members of the legislative committees with jurisdiction over
476.19 health and human services a report that identifies systemic obstacles in transitioning children
476.20 into community-based options; identifies gaps in care for children with the most acute
476.21 behavioral health treatment needs; and provides recommendations, including estimated
476.22 costs, to develop infrastructure, eliminate system barriers, and enhance coordination to
476.23 ensure children have access to behavioral health treatment services based on medical
476.24 necessity and family and caregiver needs.

476.25 **Sec. 14. TASK FORCE ON ELIMINATING SUBMINIMUM WAGES.**

476.26 Subdivision 1. **Establishment; purpose.** The Task Force on Eliminating Subminimum
476.27 Wages is established to develop a plan and make recommendations to phase out payment
476.28 of subminimum wages to people with disabilities on or before August 1, 2025.

476.29 Subd. 2. **Definitions.** For the purposes of this section, "subminimum wage" means wages
476.30 authorized under section 14(c) of the federal Fair Labor Standards Act, Minnesota Statutes,
476.31 section 177.28, subdivision 5, or Minnesota Rules, parts 5200.0030 and 5200.0040.

476.32 Subd. 3. **Membership.** (a) The task force consists of 16 members, appointed as follows:

- 477.1 (1) the commissioner of human services or a designee;
- 477.2 (2) the commissioner of labor and industry or a designee;
- 477.3 (3) the commissioner of education or a designee;
- 477.4 (4) the commissioner of employment and economic development or a designee;
- 477.5 (5) a representative of the Department of Employment and Economic Development's
- 477.6 Vocational Rehabilitation Services Division appointed by the commissioner of employment
- 477.7 and economic development;
- 477.8 (6) one member appointed by the Minnesota Disability Law Center;
- 477.9 (7) one member appointed by The Arc of Minnesota;
- 477.10 (8) three members who are persons with disabilities appointed by the commissioner of
- 477.11 human services, at least one of whom must be neurodiverse, and at least one of whom must
- 477.12 have a significant physical disability;
- 477.13 (9) two representatives of employers authorized to pay subminimum wage and one
- 477.14 representative of an employer who successfully transitioned away from payment of
- 477.15 subminimum wages to people with disabilities, appointed by the commissioner of human
- 477.16 services;
- 477.17 (10) one member appointed by the Minnesota Organization for Habilitation and
- 477.18 Rehabilitation;
- 477.19 (11) one member appointed by ARRM; and
- 477.20 (12) one member appointed by the State Rehabilitation Council.
- 477.21 (b) To the extent possible, membership on the task force under paragraph (a) shall reflect
- 477.22 geographic parity throughout the state and representation from Black, Indigenous, and
- 477.23 communities of color.
- 477.24 Subd. 4. **Appointment deadline; first meeting; chair.** Appointing authorities must
- 477.25 complete member selections by January 1, 2022. The commissioner of human services shall
- 477.26 convene the first meeting of the task force by February 15, 2022. The task force shall select
- 477.27 a chair from among its members at its first meeting.
- 477.28 Subd. 5. **Compensation.** Members shall be compensated and may be reimbursed for
- 477.29 expenses as provided in Minnesota Statutes, section 15.059, subdivision 3.
- 477.30 Subd. 6. **Duties; plan and recommendations.** The task force shall:

478.1 (1) develop a plan to phase out the payment of subminimum wages to people with
478.2 disabilities by August 1, 2025;

478.3 (2) consult with and advise the commissioner of human services on statewide plans for
478.4 limiting subminimum wages in medical assistance home and community-based services
478.5 waivers under Minnesota Statutes, sections 256B.092 and 256B.49;

478.6 (3) engage with employees with disabilities paid subminimum wages and conduct
478.7 community education on the payment of subminimum wages to people with disabilities in
478.8 Minnesota;

478.9 (4) identify and collaborate with employees, employers, businesses, organizations,
478.10 agencies, and stakeholders impacted by the phase out of subminimum wage on how to
478.11 implement the plan and create sustainable work opportunities for employees with disabilities;

478.12 (5) propose a plan to establish and evaluate benchmarks for measuring annual progress
478.13 toward eliminating subminimum wages;

478.14 (6) propose a plan to monitor and track outcomes of employees with disabilities;

478.15 (7) identify initiatives, investment, training, and services designed to improve wages,
478.16 reduce unemployment rates, and provide support and sustainable work opportunities for
478.17 persons with disabilities;

478.18 (8) identify benefits to the state in eliminating subminimum wage by August 1, 2025;

478.19 (9) identify barriers to eliminating subminimum wage by August 1, 2025, including the
478.20 cost of implementing and providing ongoing employment services, training, and support
478.21 for employees with disabilities and the cost of paying minimum wage to employees with
478.22 disabilities;

478.23 (10) make recommendations to eliminate the barriers identified in clause (9); and

478.24 (11) identify and make recommendations for sustainable financial support, funding, and
478.25 resources for eliminating subminimum wage by August 1, 2025.

478.26 Subd. 7. **Duties; provider reinvention grants.** (a) The commissioner of human services
478.27 shall establish a provider reinvention grant program to promote independence and increase
478.28 opportunities for people with disabilities to earn competitive wages. The commissioner
478.29 shall make the grants available to at least the following:

478.30 (1) providers of disability services under Minnesota Statutes, sections 256B.092 and
478.31 256B.49, for developing and implementing a business plan to shift the providers' business
478.32 models away from paying waiver participants subminimum wages;

479.1 (2) organizations to develop peer-to-peer mentoring for people with disabilities who
479.2 have successfully transitioned to earning competitive wages;

479.3 (3) organizations to facilitate provider-to-provider mentoring to promote shifting away
479.4 from paying employees with disabilities a subminimum wage; and

479.5 (4) organizations to conduct family outreach and education on working with people with
479.6 disabilities who are transitioning from subminimum wage employment to competitive
479.7 employment.

479.8 (b) The provider reinvention grant program must be competitive. The commissioner of
479.9 human services must develop criteria for evaluating responses to requests for proposals.
479.10 Criteria for evaluating grant applications must be finalized no later than November 1, 2021.
479.11 The commissioner of human services shall administer grants in compliance with Minnesota
479.12 Statutes, sections 16B.97 and 16B.98, and related policies set forth by the Department of
479.13 Administration's Office of Grants Management.

479.14 (c) Grantees must work with the commissioner to develop their business model and, as
479.15 a condition of receiving grant funds, grantees must fully phase out the use of subminimum
479.16 wage by April 1, 2024, unless the grantee receives a waiver from the commissioner of
479.17 human services for a demonstrated need.

479.18 (d) Of the total amount available for provider reinvention grants, the commissioner may
479.19 award up to 25 percent of the grant funds to providers who have already successfully shifted
479.20 their business model away from paying employees with disabilities subminimum wages to
479.21 provide provider-to-provider mentoring to providers receiving a provider reinvention grant.

479.22 Subd. 8. **Report.** By February 15, 2023, the task force shall submit to the chairs and
479.23 ranking minority members of the committees and divisions in the senate and house of
479.24 representatives with jurisdiction over employment and wages and over health and human
479.25 services a report with recommendations to eliminate by August 1, 2025, the payment of
479.26 subminimum wage, and any changes to statutes, laws, or rules required to implement the
479.27 recommendations of the task force. The task force must include in the report a
479.28 recommendation concerning continuing the task force beyond its scheduled expiration.

479.29 Subd. 9. **Administrative support.** The commissioner of human services shall provide
479.30 meeting space and administrative services to the task force.

479.31 Subd. 10. **Expiration.** The task force shall conclude their duties and expire on March
479.32 31, 2024.

480.1 **Sec. 15. MOVING TO INDEPENDENCE: SUBMINIMUM WAGE PHASE-OUT.**

480.2 (a) This act includes \$4,300,000 in fiscal year 2022 and \$5,300,000 in fiscal year 2023
480.3 for the commissioner of human services to establish a reinvention grant program to promote
480.4 independence and increase opportunities for people with disabilities to earn competitive
480.5 wages. The general fund base included in this act for this purpose is \$4,500,000 in fiscal
480.6 year 2024 and \$0 in fiscal year 2025.

480.7 (b) All grant activities must be completed by March 31, 2024.

480.8 (c) This section expires June 30, 2024.

480.9 **Sec. 16. RESEARCH ON ACCESS TO LONG-TERM CARE SERVICES AND**
480.10 **FINANCING.**

480.11 This act includes \$400,000 in fiscal year 2022 and \$300,000 in fiscal year 2023 for an
480.12 actuarial research study of public and private financing options for long-term services and
480.13 supports reform to increase access across the state. The commissioner of human services
480.14 must conduct the study. Of this amount, the commissioner may transfer up to \$100,000 to
480.15 the commissioner of commerce for costs related to the requirements of the study. The general
480.16 fund base included in this act for this purpose is \$0 in fiscal year 2024 and \$0 in fiscal year
480.17 2025.

480.18 **Sec. 17. ADDITIONAL FUNDING FOR RESPITE SERVICES AND STUDIES.**

480.19 Subdivision 1. **Home and community-based service system reform analysis.** This act
480.20 includes \$200,000 in fiscal year 2022 and \$200,000 in fiscal year 2023 for an analysis to
480.21 identify future system reforms to strengthen access to respite services and caregiver supports
480.22 to enhance the Medicaid home and community-based service system for older adults and
480.23 caregivers in Minnesota. The commissioner of human services must conduct the analysis.
480.24 The commissioner must examine Minnesota's existing programs serving older adults and
480.25 identify solutions that provide cost-effective respite services and caregiver supports to an
480.26 expanding population of older adults. The general fund base included in this act for this
480.27 purpose is \$0 in fiscal year 2024 and \$0 in fiscal year 2025.

480.28 Subd. 2. **Own your own future study.** This act includes \$183,000 in fiscal year 2022
480.29 and \$0 in fiscal year 2023 for an analysis of long-term trends in older adults' utilization of
480.30 Medicaid expenditures and need for long-term care services and supports in Minnesota.
480.31 The commissioner of human services must conduct the analysis. The commissioner must
480.32 examine Minnesota's use of nursing facilities and assisted living facilities and utilize

481.1 simulation modeling to estimate future demand for long-term services and supports. The
481.2 funding including in this act for this purpose is available until March 31, 2024.

481.3 Subd. 3. **Respite services for older adults grants.** (a) This act includes \$2,000,000 in
481.4 fiscal year 2022 and \$2,000,000 in fiscal year 2023 for the commissioner of human services
481.5 to establish a grant program for respite services for older adults. The commissioner must
481.6 award grants on a competitive basis to respite service providers. The general fund base
481.7 included in this act for this purpose is \$2,000,000 in fiscal year 2024 and \$0 in fiscal year
481.8 2025.

481.9 (b) All grant activities must be completed by March 31, 2024.

481.10 (c) This subdivision expires June 30, 2024.

481.11 Sec. 18. **MEDICAL ASSISTANCE OUTPATIENT AND BEHAVIORAL HEALTH**
481.12 **SERVICE RATES STUDY.**

481.13 (a) This act includes \$486,000 in fiscal year 2022 and \$696,000 in fiscal year 2023 for
481.14 an analysis of the current rate-setting methodology for all outpatient services in medical
481.15 assistance and MinnesotaCare, including rates for behavioral health, substance use disorder
481.16 treatment, and residential substance use disorder treatment. By January 1, 2022, the
481.17 commissioner shall issue a request for proposals for frameworks and modeling of behavioral
481.18 health services rates. Rates must be predicated on a uniform methodology that is transparent,
481.19 culturally responsive, supports staffing needed to treat a patient's assessed need, and promotes
481.20 quality service delivery, integration of care, and patient choice. The commissioner must
481.21 consult with providers across the spectrum of services, from across each region of the state,
481.22 and culturally responsive providers in the development of the request for proposals and for
481.23 the duration of the contract. The general fund base included in this act for this purpose is
481.24 \$599,000 in fiscal year 2024 and \$0 in fiscal year 2025.

481.25 (b) By January 15, 2023, the commissioner of human services shall submit a preliminary
481.26 report to the chairs and ranking minority members of the legislative committees with
481.27 jurisdiction over human services policy and finance on the initial results. By January 15,
481.28 2024, the commissioner of human services shall submit a final report to the chairs and
481.29 ranking minority members of the legislative committees with jurisdiction over human
481.30 services policy and finance that includes legislative language necessary to modify existing
481.31 or implement new rate methodologies, including a new substance use disorder treatment
481.32 rate methodology, and a detailed fiscal analysis.

482.1 **Sec. 19. CENTERS FOR INDEPENDENT LIVING HCBS ACCESS GRANT.**

482.2 (a) This act includes \$1,200,000 in fiscal year 2022 and \$1,200,000 in fiscal year 2023
482.3 for grants to expand services to support people with disabilities from underserved
482.4 communities who are ineligible for medical assistance to live in their own homes and
482.5 communities by providing accessibility modifications, independent living services, and
482.6 public health program facilitation. The commissioner of human services must award the
482.7 grants in equal amounts to the eight organizations defined in Minnesota Statutes, section
482.8 268A.01, subdivision 8. The general fund base included in this act for this purpose is \$0 in
482.9 fiscal year 2024 and \$0 in fiscal year 2025.

482.10 (b) All grant activities must be completed by March 31, 2024.

482.11 (c) This section expires June 30, 2024.

482.12 **Sec. 20. HCBS WORKFORCE DEVELOPMENT GRANT.**

482.13 (a) This act includes \$0 in fiscal year 2022 and \$5,588,000 in fiscal year 2023 to address
482.14 challenges related to attracting and maintaining direct care workers who provide home and
482.15 community-based services for people with disabilities and older adults. The general fund
482.16 base included in this act for this purpose is \$5,588,000 in fiscal year 2024 and \$0 in fiscal
482.17 year 2025.

482.18 (b) At least 90 percent of funding for this provision must be directed to workers who
482.19 earn 200 percent or less of the most current federal poverty level issued by the United States
482.20 Department of Health and Human Services.

482.21 (c) The commissioner must consult with stakeholders to finalize a report detailing the
482.22 final plan for use of the funds. The commissioner must publish the report by March 1, 2022,
482.23 and notify the chairs and ranking minority members of the legislative committees with
482.24 jurisdiction over health and human services policy and finance.

482.25 **Sec. 21. DIRECTION TO COMMISSIONER; STAKEHOLDER ENGAGEMENT**
482.26 **FOR SPENDING PLAN.**

482.27 Prior to submitting Minnesota's initial state spending plan as described in guidance issued
482.28 by the Centers for Medicare and Medicaid Services for implementation of section 9817 of
482.29 the American Rescue Plan Act of 2021, the commissioner of human services must consult
482.30 with stakeholders about proposals included in the plan.

483.1 Sec. 22. EFFECTIVE DATE.

483.2 Unless otherwise specified, each section of this article is effective upon federal approval
 483.3 of Minnesota's initial state spending plan as described in guidance issued by the Centers
 483.4 for Medicare and Medicaid Services for implementation of section 9817 of the federal
 483.5 American Rescue Plan Act of 2021. The commissioner of human services shall notify the
 483.6 revisor of statutes when federal approval is obtained."

483.7 Delete the title and insert:

483.8 "A bill for an act

483.9 relating to state government; establishing a biennial budget for health and human
 483.10 services; modifying various provisions governing Department of Human Services
 483.11 health programs, the Department of Health, health-related licensing boards,
 483.12 prescription drugs, telehealth, economic supports, child care assistance, child
 483.13 protection, behavioral health, direct care and treatment, disability services, and
 483.14 home and community-based services; making technical changes; modifying fees;
 483.15 establishing civil and criminal penalties; establishing task forces; requiring reports;
 483.16 appropriating money; amending Minnesota Statutes 2020, sections 16A.151,
 483.17 subdivision 2; 62J.495, subdivisions 1, 2, 4; 62J.497, subdivisions 1, 3; 62J.63,
 483.18 subdivisions 1, 2; 62U.04, subdivisions 4, 5; 62V.05, by adding a subdivision;
 483.19 103H.201, subdivision 1; 119B.03, subdivision 6, by adding a subdivision; 119B.09,
 483.20 subdivision 4; 119B.11, subdivision 2a; 119B.125, subdivision 1; 119B.13,
 483.21 subdivisions 1, 1a, 6, 7; 119B.25; 122A.18, subdivision 8; 124D.142; 136A.128,
 483.22 subdivisions 2, 4; 144.0724, subdivisions 1, 2, 3a, 4, 5, 7, 8, 9, 12; 144.125,
 483.23 subdivision 1; 144.1501, subdivisions 1, 2, 3; 144.212, by adding a subdivision;
 483.24 144.225, subdivision 2; 144.226, by adding subdivisions; 144.551, subdivision 1;
 483.25 144.555; 144.9501, subdivision 17; 144.9502, subdivision 3; 144.9504, subdivisions
 483.26 2, 5; 144A.073, subdivision 2, by adding a subdivision; 145.32, subdivision 1;
 483.27 145.901, subdivisions 2, 4, by adding a subdivision; 147.033; 148.90, subdivision
 483.28 2; 148.911; 148.995, subdivision 2; 148.996, subdivisions 2, 4, by adding a
 483.29 subdivision; 148B.30, subdivision 1; 148B.31; 148B.51; 148B.54, subdivision 2;
 483.30 148E.010, by adding a subdivision; 148E.130, subdivision 1, by adding a
 483.31 subdivision; 151.066, subdivision 3; 151.37, subdivision 2; 171.07, by adding a
 483.32 subdivision; 245.462, subdivision 17; 245.4876, by adding a subdivision; 245.4882,
 483.33 subdivisions 1, 3; 245.4885, subdivision 1, as amended; 245.4889, subdivision 1;
 483.34 245.4901; 245A.02, by adding a subdivision; 245A.03, subdivision 7; 245A.05;
 483.35 245A.07, subdivision 1; 245A.10, subdivision 4, as amended; 245A.14, subdivision
 483.36 4; 245A.16, by adding a subdivision; 245A.50, subdivisions 7, 9; 245C.02,
 483.37 subdivisions 4a, 5, by adding subdivisions; 245C.03; 245C.05, subdivisions 1, 2,
 483.38 2a, 2b, 2c, 2d, 4, 5; 245C.08, subdivision 3, by adding a subdivision; 245C.10,
 483.39 subdivisions 2, 3, 4, 5, 6, 8, 9, 9a, 10, 11, 12, 13, 15, 16, by adding subdivisions;
 483.40 245C.13, subdivision 2; 245C.14, subdivision 1, by adding a subdivision; 245C.15,
 483.41 by adding a subdivision; 245C.16, subdivisions 1, 2; 245C.17, subdivision 1, by
 483.42 adding a subdivision; 245C.18; 245C.24, subdivisions 2, 3, 4, by adding a
 483.43 subdivision; 245C.30, by adding a subdivision; 245C.32, subdivisions 1a, 2;
 483.44 245E.07, subdivision 1; 245G.01, subdivisions 13, 26; 245G.06, subdivision 1;
 483.45 246.54, subdivision 1b; 254A.19, subdivision 5; 254B.01, subdivision 4a, by
 483.46 adding a subdivision; 254B.05, subdivision 5; 254B.12, by adding a subdivision;
 483.47 256.01, subdivision 28; 256.041; 256.042, subdivision 4; 256.043, subdivisions
 483.48 3, 4; 256.476, subdivision 11; 256.477; 256.478; 256.479; 256B.04, subdivision
 483.49 14; 256B.055, subdivision 6; 256B.056, subdivision 10; 256B.06, subdivision 4;
 483.50 256B.0621, subdivision 10; 256B.0622, subdivision 7a, as amended; 256B.0624,
 483.51 as amended; 256B.0625, subdivisions 3b, as amended, 9, 13, 13c, 13d, 13e, 13g,
 483.52 13h, 18, 20, 20b, 31, 46, 52, 58, by adding subdivisions; 256B.0631, subdivision

484.1 1; 256B.0653, by adding a subdivision; 256B.0654, by adding a subdivision;
 484.2 256B.0659, subdivisions 11, 17a; 256B.0759, subdivisions 2, 4, by adding
 484.3 subdivisions; 256B.0911, subdivisions 1a, 3a, as amended, 3f; 256B.092,
 484.4 subdivisions 4, 5, 12, by adding a subdivision; 256B.0924, subdivision 6; 256B.094,
 484.5 subdivision 6; 256B.0943, subdivision 1, as amended; 256B.0946, subdivisions
 484.6 1, as amended, 4, as amended; 256B.0947, subdivisions 2, as amended, 3, as
 484.7 amended, 5, as amended; 256B.0949, subdivision 13, by adding a subdivision;
 484.8 256B.097, by adding subdivisions; 256B.439, by adding subdivisions; 256B.49,
 484.9 subdivisions 11, 11a, 14, 17, by adding subdivisions; 256B.4905, by adding
 484.10 subdivisions; 256B.4914, subdivisions 5, 6; 256B.5012, by adding a subdivision;
 484.11 256B.5013, subdivisions 1, 6; 256B.5015, subdivision 2; 256B.69, subdivision
 484.12 5a, as amended, by adding subdivisions; 256B.75; 256B.79, subdivisions 1, 3;
 484.13 256B.85, subdivisions 2, as amended, 7a, 11, as amended, 14, 16, by adding a
 484.14 subdivision; 256D.051, by adding subdivisions; 256E.30, subdivision 2; 256I.05,
 484.15 subdivision 1c, by adding a subdivision; 256I.06, subdivision 8; 256J.08,
 484.16 subdivisions 15, 53; 256J.10; 256J.21, subdivisions 3, 5; 256J.24, subdivision 5;
 484.17 256J.33, subdivisions 1, 4; 256J.37, subdivisions 1, 1b; 256J.95, subdivision 9;
 484.18 256L.07, subdivision 2; 256L.15, subdivision 2; 256N.25, subdivisions 2, 3;
 484.19 256N.26, subdivisions 11, 13; 256P.01, subdivision 3; 256P.02, subdivisions 1a,
 484.20 2; 256P.04, subdivisions 4, 8; 256P.05; 256P.06, subdivisions 2, 3; 256S.05,
 484.21 subdivision 2; 256S.18, subdivision 7; 256S.20, subdivision 1; 256S.203; 256S.21;
 484.22 256S.2101; 257.0755, subdivision 1; 257.076, subdivisions 3, 5; 257.0768,
 484.23 subdivisions 1, 6; 257.0769; 260C.163, subdivision 3; 260C.215, subdivision 4;
 484.24 Laws 2019, First Special Session chapter 9, article 14, section 3, as amended; Laws
 484.25 2020, First Special Session chapter 7, section 1, subdivisions 1, 2, as amended, 3,
 484.26 5, as amended; Laws 2021, chapter 30, article 12, section 5; proposing coding for
 484.27 new law in Minnesota Statutes, chapters 3; 62A; 119B; 144; 148; 151; 245; 245C;
 484.28 245G; 254B; 256; 256B; 256S; 260E; 325F; repealing Minnesota Statutes 2020,
 484.29 sections 16A.724, subdivision 2; 62A.67; 62A.671; 62A.672; 62J.63, subdivision
 484.30 3; 119B.125, subdivision 5; 144.0721, subdivision 1; 144.0722; 144.0724,
 484.31 subdivision 10; 144.693; 245.4871, subdivision 32a; 256B.0596; 256B.0916,
 484.32 subdivisions 2, 3, 4, 5, 8, 11, 12; 256B.0924, subdivision 4a; 256B.097,
 484.33 subdivisions 1, 2, 3, 4, 5, 6; 256B.49, subdivisions 26, 27; 256B.4905, subdivisions
 484.34 1, 2, 3, 4, 5, 6; 256D.051, subdivisions 1, 1a, 2, 2a, 3, 3a, 3b, 6b, 6c, 7, 8, 9, 18;
 484.35 256D.052, subdivision 3; 256J.21, subdivisions 1, 2; 256S.20, subdivision 2;
 484.36 259A.70; Laws 2019, First Special Session chapter 9, article 5, section 90; Laws
 484.37 2020, First Special Session chapter 7, section 1, subdivision 2, as amended; Laws
 484.38 2021, chapter 30, article 17, section 71; Minnesota Rules, parts 9505.0275;
 484.39 9505.1693; 9505.1696, subparts 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, 15, 16, 17,
 484.40 18, 19, 20, 21, 22; 9505.1699; 9505.1701; 9505.1703; 9505.1706; 9505.1712;
 484.41 9505.1715; 9505.1718; 9505.1724; 9505.1727; 9505.1730; 9505.1733; 9505.1736;
 484.42 9505.1739; 9505.1742; 9505.1745; 9505.1748."