

400.21 **ARTICLE 22**  
400.22 **MENTAL HEALTH**

400.23 Section 1. Minnesota Statutes 2015 Supplement, section 245.735, subdivision 3,  
400.24 is amended to read:

400.25 Subd. 3. **Reform projects Certified community behavioral health clinics.** (a) The  
400.26 commissioner shall establish standards for a state certification of clinics as process for  
400.27 certified community behavioral health clinics, in accordance (CCBHCs) to be eligible for  
400.28 the prospective payment system in paragraph (f). Entities that choose to be CCBHCs must:

400.29 (1) comply with the CCBHC criteria published on or before September 1, 2015, by  
400.30 the United States Department of Health and Human Services. Certification standards  
400.31 established by the commissioner shall require that:

401.1 ~~(+)~~ (2) employ or contract for clinic staff who have backgrounds in diverse  
401.2 disciplines, ~~include~~ including licensed mental health professionals, and staff who are  
401.3 culturally and linguistically trained to serve the needs of the clinic's patient population;

401.4 ~~(2)~~ (3) ensure that clinic services are available and accessible to patients of all ages  
401.5 and genders and that crisis management services are available 24 hours per day;

401.6 ~~(3)~~ (4) establish fees for clinic services are established for non-medical assistance  
401.7 patients using a sliding fee scale and that ensures that services to patients are not denied  
401.8 or limited due to a patient's inability to pay for services;

401.9 (4) clinics provide coordination of care across settings and providers to ensure  
401.10 seamless transitions for patients across the full spectrum of health services, including  
401.11 acute, chronic, and behavioral needs. Care coordination may be accomplished through  
401.12 partnerships or formal contracts with federally qualified health centers, inpatient  
401.13 psychiatric facilities, substance use and detoxification facilities, community-based mental  
401.14 health providers, and other community services, supports, and providers including  
401.15 schools, child welfare agencies, juvenile and criminal justice agencies, Indian Health  
401.16 Services clinics, tribally licensed health care and mental health facilities, urban Indian  
401.17 health clinics, Department of Veterans Affairs medical centers, outpatient clinics, drop-in  
401.18 centers, acute care hospitals, and hospital outpatient clinics; (5) comply with quality  
401.19 assurance reporting requirements and other reporting requirements, including any required  
401.20 reporting of encounter data, clinical outcomes data, and quality data;

66.9 **ARTICLE 5**  
66.10 **CHEMICAL AND MENTAL HEALTH**

66.11 Section 1. Minnesota Statutes 2015 Supplement, section 245.735, subdivision 3,  
66.12 is amended to read:

66.13 Subd. 3. **Reform projects Certified community behavioral health clinics.** (a) The  
66.14 commissioner shall establish standards for a state certification of clinics as process for  
66.15 certified community behavioral health clinics, in accordance (CCBHCs) to be eligible for  
66.16 the prospective payment system in paragraph (f). Entities that choose to be CCBHCs must:

66.17 (1) comply with the CCBHC criteria published on or before September 1, 2015, by  
66.18 the United States Department of Health and Human Services. Certification standards  
66.19 established by the commissioner shall require that:

66.20 ~~(+)~~ (2) employ or contract for clinic staff who have backgrounds in diverse  
66.21 disciplines, ~~include~~ including licensed mental health professionals, and staff who are  
66.22 culturally and linguistically trained to serve the needs of the clinic's patient population;

66.23 ~~(2)~~ (3) ensure that clinic services are available and accessible to patients of all ages  
66.24 and genders and that crisis management services are available 24 hours per day;

66.25 ~~(3)~~ (4) establish fees for clinic services are established for non-medical assistance  
66.26 patients using a sliding fee scale and that ensures that services to patients are not denied  
66.27 or limited due to a patient's inability to pay for services;

66.28 (4) clinics provide coordination of care across settings and providers to ensure  
66.29 seamless transitions for patients across the full spectrum of health services, including  
66.30 acute, chronic, and behavioral needs. Care coordination may be accomplished through  
66.31 partnerships or formal contracts with federally qualified health centers, inpatient  
66.32 psychiatric facilities, substance use and detoxification facilities, community-based mental  
66.33 health providers, and other community services, supports, and providers including  
66.34 schools, child welfare agencies, juvenile and criminal justice agencies, Indian Health  
67.1 Services clinics, tribally licensed health care and mental health facilities, urban Indian  
67.2 health clinics, Department of Veterans Affairs medical centers, outpatient clinics, drop-in  
67.3 centers, acute care hospitals, and hospital outpatient clinics;

67.4 (5) comply with quality assurance reporting requirements and other reporting  
67.5 requirements, including any required reporting of encounter data, clinical outcomes data,  
67.6 and quality data;

401.21 ~~(5) services provided by clinics include~~ (6) provide crisis mental health services,  
 401.22 ~~withdrawal management services,~~ emergency crisis intervention services, and stabilization  
 401.23 services; screening, assessment, and diagnosis services, including risk assessments and  
 401.24 level of care determinations; patient-centered treatment planning; outpatient mental  
 401.25 health and substance use services; targeted case management; psychiatric rehabilitation  
 401.26 services; peer support and counselor services and family support services; and intensive  
 401.27 community-based mental health services, including mental health services for members of  
 401.28 the armed forces and veterans; and

401.29 ~~(6) clinics comply with quality assurance reporting requirements and other reporting~~  
 401.30 ~~requirements, including any required reporting of encounter data, clinical outcomes data,~~  
 401.31 ~~and quality data.~~ (7) provide coordination of care across settings and providers to ensure  
 401.32 seamless transitions for patients across the full spectrum of health services, including  
 401.33 acute, chronic, and behavioral needs. Care coordination may be accomplished through  
 401.34 partnerships or formal contracts with:

402.1 (i) counties, health plans, pharmacists, pharmacies, rural health clinics, federally  
 402.2 qualified health centers, inpatient psychiatric facilities, substance use and detoxification  
 402.3 facilities, community-based mental health providers; and

402.4 (ii) other community services, supports, and providers, including schools, child  
 402.5 welfare agencies, juvenile and criminal justice agencies, Indian health services clinics,  
 402.6 tribally licensed health care and mental health facilities, urban Indian health clinics,  
 402.7 Department of Veterans Affairs medical centers, outpatient clinics, drop-in centers, acute  
 402.8 care hospitals, and hospital outpatient clinics;

402.9 (8) be certified as mental health clinics under section 245.69, subdivision 2;

402.10 (9) comply with standards relating to integrated treatment for co-occurring mental  
 402.11 illness and substance use disorders in adults or children under Minnesota Rules, chapter  
 402.12 9533;

402.13 (10) comply with standards relating to mental health services in Minnesota Rules,  
 402.14 parts 9505.0370 to 9505.0372;

402.15 (11) be licensed to provide chemical dependency treatment under Minnesota Rules,  
 402.16 parts 9530.6405 to 9530.6505;

402.17 (12) be certified to provide children's therapeutic services and supports under  
 402.18 section 256B.0943;

402.19 (13) be certified to provide adult rehabilitative mental health services under section  
 402.20 256B.0623;

67.7 ~~(5) services provided by clinics include~~ (6) provide crisis mental health services,  
 67.8 ~~withdrawal management services,~~ emergency crisis intervention services, and stabilization  
 67.9 services; screening, assessment, and diagnosis services, including risk assessments and  
 67.10 level of care determinations; patient-centered treatment planning; outpatient mental  
 67.11 health and substance use services; targeted case management; psychiatric rehabilitation  
 67.12 services; peer support and counselor services and family support services; and intensive  
 67.13 community-based mental health services, including mental health services for members of  
 67.14 the armed forces and veterans; and

67.15 ~~(6) clinics comply with quality assurance reporting requirements and other reporting~~  
 67.16 ~~requirements, including any required reporting of encounter data, clinical outcomes data,~~  
 67.17 ~~and quality data.~~

67.18 (7) provide coordination of care across settings and providers to ensure seamless  
 67.19 transitions for patients across the full spectrum of health services, including acute, chronic,  
 67.20 and behavioral needs. Care coordination may be accomplished through partnerships  
 67.21 or formal contracts with:

67.22 (i) counties, health plans, pharmacists, pharmacies, rural health clinics, federally  
 67.23 qualified health centers, inpatient psychiatric facilities, substance use and detoxification  
 67.24 facilities, and community-based mental health providers; and

67.25 (ii) other community services, supports, and providers including schools, child  
 67.26 welfare agencies, juvenile and criminal justice agencies, Indian Health Services clinics,  
 67.27 tribally licensed health care and mental health facilities, urban Indian health clinics,  
 67.28 Department of Veterans Affairs medical centers, outpatient clinics, drop-in centers, acute  
 67.29 care hospitals, and hospital outpatient clinics;

67.30 (8) be certified as mental health clinics under section 245.69, subdivision 2;

67.31 (9) comply with standards relating to integrated treatment for co-occurring mental  
 67.32 illness and substance use disorders in adults or children under Minnesota Rules, chapter  
 67.33 9533;

67.34 (10) comply with standards relating to mental health services in Minnesota Rules,  
 67.35 parts 9505.0370 to 9505.0372;

68.1 (11) be licensed to provide chemical dependency treatment under Minnesota Rules,  
 68.2 parts 9530.6405 to 9530.6505;

68.3 (12) be certified to provide children's therapeutic services and supports under  
 68.4 section 256B.0943;

68.5 (13) be certified to provide adult rehabilitative mental health services under section  
 68.6 256B.0623;

402.21 (14) be enrolled to provide mental health crisis response services under section  
 402.22 256B.0624;

402.23 (15) be enrolled to provide mental health targeted case management under section  
 402.24 256B.0625, subdivision 20;

402.25 (16) comply with standards relating to mental health case management in Minnesota  
 402.26 Rules, parts 9520.0900 to 9520.0926; and

402.27 (17) provide services that comply with the evidence-based practices described in  
 402.28 paragraph (e).

402.29 (b) If an entity is unable to provide one or more of the services listed in paragraph  
 402.30 (a), clauses (6) to (17), the commissioner may certify the entity as a CCBHC if it has a  
 402.31 current contract with another entity that has the required authority to provide that service  
 402.32 and that meets federal CCBHC criteria as a designated collaborating organization; or, to  
 402.33 the extent allowed by the federal CCBHC criteria, the commissioner may approve a  
 402.34 referral arrangement. The CCBHC must meet federal requirements regarding the type and  
 402.35 scope of services to be provided directly by the CCBHC.

403.1 (c) Notwithstanding other law that requires a county contract or other form of county  
 403.2 approval for certain services listed in paragraph (a), clause (6), a clinic that otherwise  
 403.3 meets CCBHC requirements may receive the prospective payment under paragraph (f)  
 403.4 for those services without a county contract or county approval. There is no county  
 403.5 share when medical assistance pays the CCBHC prospective payment. As part of the  
 403.6 certification process in paragraph (a), the commissioner shall require a letter of support  
 403.7 from the CCBHC's host county confirming that the CCBHC and the county or counties it  
 403.8 serves have an ongoing relationship to facilitate access and continuity of care, especially  
 403.9 for individuals who are uninsured or who may go on and off medical assistance.

403.10 (d) When the standards listed in paragraph (a) or other applicable standards  
 403.11 conflict or address similar issues in duplicative or incompatible ways, the commissioner  
 403.12 may grant variances to state requirements if the variances do not conflict with federal  
 403.13 requirements. If standards overlap, the commissioner may substitute all or a part of a  
 403.14 licensure or certification that is substantially the same as another licensure or certification.  
 403.15 The commissioner shall consult with stakeholders, as described in subdivision 4, before  
 403.16 granting variances under this provision.

68.7 (14) be enrolled to provide mental health crisis response services under section  
 68.8 256B.0624;

68.9 (15) be enrolled to provide mental health targeted case management under section  
 68.10 256B.0625, subdivision 20;

68.11 (16) comply with standards relating to mental health case management in Minnesota  
 68.12 Rules, parts 9520.0900 to 9520.0926; and

68.13 (17) provide services that comply with the evidence-based practices described in  
 68.14 paragraph (e).

68.15 (b) If an entity is unable to provide one or more of the services listed in paragraph  
 68.16 (a), clauses (6) to (17), the commissioner may certify the entity as a CCBHC, if the entity  
 68.17 has a current contract with another entity that has the required authority to provide that  
 68.18 service and that meets federal CCBHC criteria as a designated collaborating organization,  
 68.19 or, to the extent allowed by the federal CCBHC criteria, the commissioner may approve a  
 68.20 referral arrangement. The CCBHC must meet federal requirements regarding the type and  
 68.21 scope of services to be provided directly by the CCBHC.

68.22 (c) Notwithstanding other law that requires a county contract or other form of county  
 68.23 approval for certain services listed in paragraph (a), clause (6), a clinic that otherwise  
 68.24 meets CCBHC requirements may receive the prospective payment under paragraph (f)  
 68.25 for those services without a county contract or county approval. There is no county  
 68.26 share when medical assistance pays the CCBHC prospective payment. As part of the  
 68.27 certification process in paragraph (a), the commissioner shall require a letter of support  
 68.28 from the CCBHC's host county confirming that the CCBHC and the counties it serves  
 68.29 have an ongoing relationship to facilitate access and continuity of care, especially for  
 68.30 individuals who are uninsured or who may go on and off medical assistance.

68.31 (d) In situations where the standards in paragraph (a) or other applicable standards  
 68.32 conflict or address similar issues in duplicative or incompatible ways, the commissioner  
 68.33 may grant variances to state requirements as long as the variances do not conflict with  
 68.34 federal requirements. In situations where standards overlap, the commissioner may decide  
 68.35 to substitute all or a part of a licensure or certification that is substantially the same as  
 69.1 another licensure or certification. The commissioner shall consult with stakeholders, as  
 69.2 described in subdivision 4, before granting variances under this provision.

403.17 (e) The commissioner shall issue a list of required evidence-based practices to be  
 403.18 delivered by certified community behavioral health clinics, and may also provide a list  
 403.19 of recommended evidence-based practices. The commissioner may update the list to  
 403.20 reflect advances in outcomes research and medical services for persons living with mental  
 403.21 illnesses or substance use disorders. The commissioner shall take into consideration the  
 403.22 adequacy of evidence to support the efficacy of the practice, the quality of workforce  
 403.23 available, and the current availability of the practice in the state. At least 30 days before  
 403.24 issuing the initial list and any revisions, the commissioner shall provide stakeholders  
 403.25 with an opportunity to comment.

403.26 (b) (f) The commissioner shall establish standards and methodologies for a  
 403.27 prospective payment system for medical assistance payments for mental health services  
 403.28 delivered by certified community behavioral health clinics, in accordance with guidance  
 403.29 issued ~~on or before September 1, 2015~~, by the Centers for Medicare and Medicaid  
 403.30 Services. During the operation of the demonstration project, payments shall comply with  
 403.31 federal requirements for a ~~90 percent~~ an enhanced federal medical assistance percentage.  
 403.32 The commissioner may include quality bonus payments in the prospective payment  
 403.33 system based on federal criteria and on a clinic's provision of the evidence-based practices  
 403.34 in paragraph (e). The prospective payments system does not apply to MinnesotaCare.  
 403.35 Implementation of the prospective payment system is effective July 1, 2017, or upon  
 403.36 federal approval, whichever is later.

404.1 (g) The commissioner shall seek federal approval to continue federal financial  
 404.2 participation in payment for CCBHC services after the federal demonstration period  
 404.3 ends for clinics that were certified as CCBHCs during the demonstration period and  
 404.4 that continue to meet the CCBHC certification standards in paragraph (a). Payment  
 404.5 for CCBHC services shall cease effective July 1, 2019, if continued federal financial  
 404.6 participation for the payment of CCBHC services cannot be obtained.

404.7 (h) To the extent allowed by federal law, the commissioner may limit the number of  
 404.8 certified clinics so that the projected claims for certified clinics will not exceed the funds  
 404.9 budgeted for this purpose. The commissioner shall give preference to clinics that:

404.10 (1) are located in both rural and urban areas, with at least one in each area, as  
 404.11 defined by federal criteria;

404.12 (2) provide a comprehensive range of services and evidence-based practices for all  
 404.13 age groups, with services being fully coordinated and integrated; and

404.14 (3) enhance the state's ability to meet the federal priorities to be selected as a  
 404.15 CCBHC demonstration state.

69.3 (e) The commissioner shall issue a list of required and recommended evidence-based  
 69.4 practices to be delivered by CCBHCs. The commissioner may update the list to reflect  
 69.5 advances in outcomes research and medical services for persons living with mental  
 69.6 illnesses or substance use disorders. The commissioner shall take into consideration the  
 69.7 adequacy of evidence to support the efficacy of the practice, the quality of workforce  
 69.8 available, and the current availability of the practice in the state. At least 30 days before  
 69.9 issuing the initial list and any revisions, the commissioner shall provide stakeholders  
 69.10 with an opportunity to comment.

69.11 (b) (f) The commissioner shall establish standards and methodologies for a  
 69.12 prospective payment system for medical assistance payments for mental health services  
 69.13 delivered by certified community behavioral health clinics, in accordance with guidance  
 69.14 issued ~~on or before September 1, 2015~~, by the Centers for Medicare and Medicaid  
 69.15 Services. During the operation of the demonstration project, payments shall comply with  
 69.16 federal requirements for a ~~90 percent~~ an enhanced federal medical assistance percentage.  
 69.17 The commissioner may include quality bonus payments in the prospective payment  
 69.18 system based on federal criteria and on a clinic's provision of the evidence-based practices  
 69.19 in paragraph (e). The prospective payments system does not apply to MinnesotaCare.  
 69.20 Implementation of the prospective payment system is effective July 1, 2017, or upon  
 69.21 federal approval, whichever is later.

69.22 (g) The commissioner shall seek federal approval to continue federal financial  
 69.23 participation in payment for CCBHC services after the federal demonstration period  
 69.24 ends for clinics that were certified as CCBHCs during the demonstration period and  
 69.25 that continue to meet the CCBHC certification standards in paragraph (a). Payment  
 69.26 for CCBHC services shall cease effective July 1, 2019, if continued federal financial  
 69.27 participation for the payment of CCBHC services cannot be obtained.

69.28 (h) To the extent allowed by federal law, the commissioner may limit the number of  
 69.29 certified clinics so that the projected claims for certified clinics will not exceed the funds  
 69.30 budgeted for this purpose. The commissioner shall give preference to clinics that:

69.31 (1) are located in both rural and urban areas, with at least one in each, as defined  
 69.32 by federal criteria;

69.33 (2) provide a comprehensive range of services and evidence-based practices for all  
 69.34 age groups, with services being fully coordinated and integrated; and

69.35 (3) enhance the state's ability to meet the federal priorities to be selected as a  
 69.36 CCBHC demonstration state.

404.16 (i) The commissioner shall recertify CCBHCs at least every three years. The  
 404.17 commissioner shall establish a process for decertification and shall require corrective  
 404.18 action, medical assistance repayment, or decertification of a CCBHC that no longer  
 404.19 meets the requirements in this section or that fails to meet the standards provided by the  
 404.20 commissioner in the application and certification process.

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

404.22 Sec. 2. Minnesota Statutes 2015 Supplement, section 245.735, subdivision 4, is  
 404.23 amended to read:

404.24 Subd. 4. **Public participation.** In developing the projects and implementing  
 404.25 certified community behavioral health clinics under subdivision 3, the commissioner shall  
 404.26 consult, collaborate, and partner with stakeholders, including but not limited to mental  
 404.27 health providers, substance use disorder treatment providers, advocacy organizations,  
 404.28 licensed mental health professionals, counties, tribes, hospitals, other health care  
 404.29 providers, and Minnesota public health care program enrollees who receive mental health  
 404.30 services and their families.

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

404.32 Sec. 3. Minnesota Statutes 2014, section 245.99, subdivision 2, is amended to read:

405.1 Subd. 2. **Rental assistance.** The program shall pay up to 90 days of housing  
 405.2 assistance for persons with a serious and persistent mental illness who require inpatient or  
 405.3 residential care for stabilization. The commissioner of human services may extend the  
 405.4 length of assistance on a case-by-case basis.

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

405.6 Sec. 4. Minnesota Statutes 2014, section 254B.01, subdivision 4a, is amended to read:

405.7 Subd. 4a. **Culturally specific program.** (a) "Culturally specific program" means a  
 405.8 substance use disorder treatment service program or subprogram that is recovery-focused  
 405.9 and culturally specific when the program:

405.10 (1) improves service quality to and outcomes of a specific population by advancing  
 405.11 health equity to help eliminate health disparities; and

405.12 (2) ensures effective, equitable, comprehensive, and respectful quality care services  
 405.13 that are responsive to an individual within a specific population's values, beliefs and  
 405.14 practices, health literacy, preferred language, and other communication needs.

70.1 (i) The commissioner shall recertify CCBHCs at least every three years. The  
 70.2 commissioner shall establish a process for decertification and shall require corrective  
 70.3 action, medical assistance repayment, or decertification of a CCBHC that no longer  
 70.4 meets the requirements in this section or that fails to meet the standards provided by the  
 70.5 commissioner in the application and certification process.

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

70.7 Sec. 2. Minnesota Statutes 2015 Supplement, section 245.735, subdivision 4, is  
 70.8 amended to read:

70.9 Subd. 4. **Public participation.** In developing the projects and implementing  
 70.10 certified community behavioral health clinics under subdivision 3, the commissioner shall  
 70.11 consult, collaborate, and partner with stakeholders, including but not limited to mental  
 70.12 health providers, substance use disorder treatment providers, advocacy organizations,  
 70.13 licensed mental health professionals, counties, tribes, hospitals, other health care  
 70.14 providers, and Minnesota public health care program enrollees who receive mental health  
 70.15 services and their families.

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

70.17 Sec. 3. Minnesota Statutes 2014, section 245.99, subdivision 2, is amended to read:

70.18 Subd. 2. **Rental assistance.** The program shall pay up to 90 days of housing  
 70.19 assistance for persons with a serious and persistent mental illness who require inpatient or  
 70.20 residential care for stabilization. The commissioner of human services may extend the  
 70.21 length of assistance on a case-by-case basis.

405.15 (b) A tribally licensed substance use disorder program that is designated as serving  
 405.16 a culturally specific population by the applicable tribal government is deemed to satisfy  
 405.17 this subdivision.

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

405.19 Sec. 5. Minnesota Statutes 2014, section 254B.03, subdivision 4, is amended to read:

405.20 Subd. 4. **Division of costs.** (a) Except for services provided by a county under  
 405.21 section 254B.09, subdivision 1, or services provided under section 256B.69 ~~or 256D.03,~~  
 405.22 ~~subdivision 4, paragraph (b),~~ the county shall, out of local money, pay the state for 22.95  
 405.23 percent of the cost of chemical dependency services, including those services provided to  
 405.24 persons eligible for medical assistance under chapter 256B and general assistance medical  
 405.25 care under chapter 256D. Counties may use the indigent hospitalization levy for treatment  
 405.26 and hospital payments made under this section.

405.27 (b) 22.95 percent of any state collections from private or third-party pay, less 15  
 405.28 percent for the cost of payment and collections, must be distributed to the county that paid  
 405.29 for a portion of the treatment under this section.

405.30 (c) For fiscal year 2017 only, the 22.95 percentages under paragraphs (a) and (b)

405.31 are equal to 15 percent.

405.32 Sec. 6. Minnesota Statutes 2014, section 254B.04, subdivision 2a, is amended to read:

406.1 Subd. 2a. **Eligibility for treatment in residential settings.** Notwithstanding  
 406.2 provisions of Minnesota Rules, part 9530.6622, subparts 5 and 6, related to an assessor's  
 406.3 discretion in making placements to residential treatment settings, a person eligible for  
 406.4 services under this section must score at level 4 on assessment dimensions related to  
 406.5 relapse, continued use, or recovery environment in order to be assigned to services with a  
 406.6 room and board component reimbursed under this section. Whether a treatment facility  
 406.7 has been designated an institution for mental diseases under United States Code, title 42,  
 406.8 section 1396d, shall not be a factor in making placements.

406.9 Sec. 7. Minnesota Statutes 2015 Supplement, section 254B.05, subdivision 5, is  
 406.10 amended to read:

406.11 Subd. 5. **Rate requirements.** (a) The commissioner shall establish rates for  
 406.12 chemical dependency services and service enhancements funded under this chapter.

70.22 Sec. 4. Minnesota Statutes 2014, section 254B.03, subdivision 4, is amended to read:

70.23 Subd. 4. **Division of costs.** (a) Except for services provided by a county under  
 70.24 section 254B.09, subdivision 1, or services provided under section 256B.69 or 256D.03,  
 70.25 subdivision 4, paragraph (b), the county shall, out of local money, pay the state for 22.95  
 70.26 percent of the cost of chemical dependency services, including those services provided to  
 70.27 persons eligible for medical assistance under chapter 256B and general assistance medical  
 70.28 care under chapter 256D. Counties may use the indigent hospitalization levy for treatment  
 70.29 and hospital payments made under this section. 22.95 percent of any state collections from  
 70.30 private or third-party pay, less 15 percent for the cost of payment and collections, must be  
 70.31 distributed to the county that paid for a portion of the treatment under this section.

71.1 (b) For fiscal year 2017 only, the county percent of cost of chemical dependency

71.2 services shall be reduced from 22.95 percent to 15 percent.

71.3 **EFFECTIVE DATE.** This section is effective July 1, 2016.

71.4 Sec. 5. Minnesota Statutes 2014, section 254B.04, subdivision 2a, is amended to read:

71.5 Subd. 2a. **Eligibility for treatment in residential settings.** Notwithstanding  
 71.6 provisions of Minnesota Rules, part 9530.6622, subparts 5 and 6, related to an assessor's  
 71.7 discretion in making placements to residential treatment settings, a person eligible for  
 71.8 services under this section must score at level 4 on assessment dimensions related to  
 71.9 relapse, continued use, or recovery environment in order to be assigned to services with a  
 71.10 room and board component reimbursed under this section. Whether a treatment facility  
 71.11 has been designated an institution for mental diseases under United States Code, title 42,  
 71.12 section 1396d, shall not be a factor in making placements.

71.13 **EFFECTIVE DATE.** This section is effective July 1, 2016.

406.13 (b) Eligible chemical dependency treatment services include:

406.14 (1) outpatient treatment services that are licensed according to Minnesota Rules, 406.15 parts 9530.6405 to 9530.6480, or applicable tribal license;

406.16 (2) medication-assisted therapy services that are licensed according to Minnesota 406.17 Rules, parts 9530.6405 to 9530.6480 and 9530.6500, or applicable tribal license;

406.18 (3) medication-assisted therapy plus enhanced treatment services that meet the 406.19 requirements of clause (2) and provide nine hours of clinical services each week;

406.20 (4) high, medium, and low intensity residential treatment services that are licensed 406.21 according to Minnesota Rules, parts 9530.6405 to 9530.6480 and 9530.6505, or applicable 406.22 tribal license which provide, respectively, 30, 15, and five hours of clinical services each 406.23 week;

406.24 (5) hospital-based treatment services that are licensed according to Minnesota Rules, 406.25 parts 9530.6405 to 9530.6480, or applicable tribal license and licensed as a hospital under 406.26 sections 144.50 to 144.56;

406.27 (6) adolescent treatment programs that are licensed as outpatient treatment programs 406.28 according to Minnesota Rules, parts 9530.6405 to 9530.6485, or as residential treatment 406.29 programs according to Minnesota Rules, parts 2960.0010 to 2960.0220, and 2960.0430 406.30 to 2960.0490, or applicable tribal license;

406.31 (7) high-intensity residential treatment services that are licensed according to 406.32 Minnesota Rules, parts 9530.6405 to 9530.6480 and 9530.6505, or applicable tribal 406.33 license, which provide 30 hours of clinical services each week provided by a state-operated 406.34 vendor or to clients who have been civilly committed to the commissioner, present the 406.35 most complex and difficult care needs, and are a potential threat to the community; and

407.1 (8) room and board facilities that meet the requirements of subdivision 1a.

407.2 (c) The commissioner shall establish higher rates for programs that meet the 407.3 requirements of paragraph (b) and one of the following additional requirements:

407.4 (1) programs that serve parents with their children if the program:

407.5 (i) provides on-site child care during the hours of treatment activity that:

407.6 (A) is licensed under chapter 245A as a child care center under Minnesota Rules, 407.7 chapter 9503; or

407.8 (B) meets the licensure exclusion criteria of section 245A.03, subdivision 2, 407.9 paragraph (a), clause (6), and meets the requirements under Minnesota Rules, part 407.10 9530.6490, subpart 4; or

407.11 (ii) arranges for off-site child care during hours of treatment activity at a facility that

407.12 is licensed under chapter 245A as:

407.13 (A) a child care center under Minnesota Rules, chapter 9503; or  
407.14 (B) a family child care home under Minnesota Rules, chapter 9502;  
407.15 (2) culturally specific programs as defined in section 254B.01, subdivision 4a, or  
407.16 programs or subprograms serving special populations, if the program or subprogram meets  
407.17 the following requirements in Minnesota Rules, part 9530.6605, subpart 13;  
407.18 (i) is designed to address the unique needs of individuals who share a common  
407.19 language, racial, ethnic, or social background;  
407.20 (ii) is governed with significant input from individuals of that specific background;  
407.21 and  
407.22 (iii) employs individuals to provide individual or group therapy, at least 50 percent  
407.23 of whom are of that specific background, except when the common social background of  
407.24 the individuals served is a traumatic brain injury or cognitive disability and the program  
407.25 employs treatment staff who have the necessary professional training, as approved by the  
407.26 commissioner, to serve clients with the specific disabilities that the program is designed  
407.27 to serve;  
407.28 (3) programs that offer medical services delivered by appropriately credentialed  
407.29 health care staff in an amount equal to two hours per client per week if the medical  
407.30 needs of the client and the nature and provision of any medical services provided are  
407.31 documented in the client file; and  
407.32 (4) programs that offer services to individuals with co-occurring mental health and  
407.33 chemical dependency problems if:  
407.34 (i) the program meets the co-occurring requirements in Minnesota Rules, part  
407.35 9530.6495;  
408.1 (ii) 25 percent of the counseling staff are licensed mental health professionals, as  
408.2 defined in section 245.462, subdivision 18, clauses (1) to (6), or are students or licensing  
408.3 candidates under the supervision of a licensed alcohol and drug counselor supervisor and  
408.4 licensed mental health professional, except that no more than 50 percent of the mental  
408.5 health staff may be students or licensing candidates with time documented to be directly  
408.6 related to provisions of co-occurring services;  
408.7 (iii) clients scoring positive on a standardized mental health screen receive a mental  
408.8 health diagnostic assessment within ten days of admission;  
408.9 (iv) the program has standards for multidisciplinary case review that include a  
408.10 monthly review for each client that, at a minimum, includes a licensed mental health  
408.11 professional and licensed alcohol and drug counselor, and their involvement in the review  
408.12 is documented;



408.13 (v) family education is offered that addresses mental health and substance abuse  
408.14 disorders and the interaction between the two; and

408.15 (vi) co-occurring counseling staff ~~will~~ shall receive eight hours of co-occurring  
408.16 disorder training annually.

408.17 (d) In order to be eligible for a higher rate under paragraph (c), clause (1), a program  
408.18 that provides arrangements for off-site child care must maintain current documentation at  
408.19 the chemical dependency facility of the child care provider's current licensure to provide  
408.20 child care services. Programs that provide child care according to paragraph (c), clause  
408.21 (1), must be deemed in compliance with the licensing requirements in Minnesota Rules,  
408.22 part 9530.6490.

408.23 (e) Adolescent residential programs that meet the requirements of Minnesota  
408.24 Rules, parts 2960.0430 to 2960.0490 and 2960.0580 to 2960.0690, are exempt from the  
408.25 requirements in paragraph (c), clause (4), items (i) to (iv).

408.26 (f) Subject to federal approval, chemical dependency services that are otherwise  
408.27 covered as direct face-to-face services may be provided via two-way interactive video.  
408.28 The use of two-way interactive video must be medically appropriate to the condition and  
408.29 needs of the person being served. Reimbursement shall be at the same rates and under the  
408.30 same conditions that would otherwise apply to direct face-to-face services. The interactive  
408.31 video equipment and connection must comply with Medicare standards in effect at the  
408.32 time the service is provided.

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

408.34 Sec. 8. Minnesota Statutes 2014, section 254B.06, subdivision 2, is amended to read:

409.1 Subd. 2. **Allocation of collections.** (a) The commissioner shall allocate all federal  
409.2 financial participation collections to a special revenue account. The commissioner shall  
409.3 allocate 77.05 percent of patient payments and third-party payments to the special revenue  
409.4 account and 22.95 percent to the county financially responsible for the patient.

409.5 (b) For fiscal year 2017 only, the percentage under paragraph (a) that the  
409.6 commissioner shall pay is 85 percent, and the percentage the county shall pay is 15 percent.

409.7 Sec. 9. Minnesota Statutes 2014, section 254B.06, is amended by adding a subdivision  
409.8 to read:

71.14 Sec. 6. Minnesota Statutes 2014, section 254B.06, subdivision 2, is amended to read:

71.15 Subd. 2. **Allocation of collections.** (a) The commissioner shall allocate all federal  
71.16 financial participation collections to a special revenue account. The commissioner shall  
71.17 allocate 77.05 percent of patient payments and third-party payments to the special revenue  
71.18 account and 22.95 percent to the county financially responsible for the patient.

71.19 (b) For fiscal year 2017 only, the commissioner's allocation to the special revenue  
71.20 account shall be increased from 77.05 percent to 85 percent and the county financial  
71.21 responsibility shall be reduced from 22.95 percent to 15 percent.

71.22 **EFFECTIVE DATE.** This section is effective July 1, 2016.

71.23 Sec. 7. Minnesota Statutes 2014, section 254B.06, is amended by adding a subdivision  
71.24 to read:

409.9 Subd. 4. **Reimbursement for institutions for mental diseases.** The commissioner  
 409.10 shall not deny reimbursement to a program designated as an institution for mental diseases  
 409.11 under United States Code, title 42, section 1396d, due to a reduction in federal financial  
 409.12 participation and the addition of new residential beds.

409.13 Sec. 10. Minnesota Statutes 2014, section 256B.0621, subdivision 10, is amended to  
 409.14 read:

409.15 Subd. 10. **Payment rates.** The commissioner shall set payment rates for targeted  
 409.16 case management under this subdivision. Case managers may bill according to the  
 409.17 following criteria:

409.18 (1) for relocation targeted case management, case managers may bill for direct case  
 409.19 management activities, including face-to-face and telephone contacts, and interactive  
 409.20 video contact in accordance with section 256B.0924, subdivision 4a, in the lesser of:

409.21 (i) 180 days preceding an eligible recipient's discharge from an institution; or

409.22 (ii) the limits and conditions which apply to federal Medicaid funding for this service;

71.25 Subd. 4. **Reimbursement for institutions for mental diseases.** The commissioner  
 71.26 shall not deny reimbursement to a program designated as an institution for mental diseases  
 71.27 under United States Code, title 42, section 1396d, due to a reduction in federal financial  
 71.28 participation and the addition of new residential beds.

71.29 **EFFECTIVE DATE.** This section is effective July 1, 2016.

72.1 Sec. 8. **[254B.15] PILOT PROJECTS; TREATMENT FOR PREGNANT AND**  
 72.2 **POSTPARTUM WOMEN WITH SUBSTANCE USE DISORDER.**

72.3 Subdivision 1. **Pilot projects established.** (a) Within the limits of federal funds  
 72.4 available specifically for this purpose, the commissioner of human services shall establish  
 72.5 pilot projects to provide substance use disorder treatment and services to pregnant and  
 72.6 postpartum women with a primary diagnosis of substance use disorder, including opioid  
 72.7 use disorder. Pilot projects funded under this section must:

72.8 (1) promote flexible uses of funds to provide treatment and services to pregnant and  
 72.9 postpartum women with substance use disorders;

72.10 (2) fund family-based treatment and services for pregnant and postpartum women  
 72.11 with substance use disorders;

72.12 (3) identify gaps in services along the continuum of care that are provided to  
 72.13 pregnant and postpartum women with substance use disorders; and

72.14 (4) encourage new approaches to service delivery and service delivery models.

72.15 (b) A pilot project funded under this section must provide at least a portion of its  
 72.16 treatment and services to women who receive services on an outpatient basis.

72.17 Subd. 2. **Federal funds.** The commissioner shall apply for any available grant funds  
 72.18 from the federal Center for Substance Abuse Treatment for these pilot projects.

72.19 Sec. 9. Minnesota Statutes 2014, section 256B.0621, subdivision 10, is amended to read:

72.20 Subd. 10. **Payment rates.** The commissioner shall set payment rates for targeted  
 72.21 case management under this subdivision. Case managers may bill according to the  
 72.22 following criteria:

72.23 (1) for relocation targeted case management, case managers may bill for direct case  
 72.24 management activities, including face-to-face and telephone contacts, and interactive  
 72.25 video contact in accordance with section 256B.0924, subdivision 4a, in the lesser of:

72.26 (i) 180 days preceding an eligible recipient's discharge from an institution; or

72.27 (ii) the limits and conditions which apply to federal Medicaid funding for this service;

409.23 (2) for home care targeted case management, case managers may bill for direct case  
409.24 management activities, including face-to-face and telephone contacts; and

409.25 (3) billings for targeted case management services under this subdivision shall not  
409.26 duplicate payments made under other program authorities for the same purpose.

409.27 Sec. 11. Minnesota Statutes 2014, section 256B.0622, is amended by adding a  
409.28 subdivision to read:

409.29 Subd. 12. **Start-up grants.** The commissioner may, within available appropriations,  
409.30 disburse grant funding to counties, Indian tribes, or mental health service providers to  
409.31 establish additional assertive community treatment teams, intensive residential treatment  
409.32 services, or crisis residential services.

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

410.1 Sec. 12. Minnesota Statutes 2015 Supplement, section 256B.0625, subdivision 20,  
410.2 is amended to read:

410.3 Subd. 20. **Mental health case management.** (a) To the extent authorized by rule  
410.4 of the state agency, medical assistance covers case management services to persons with  
410.5 serious and persistent mental illness and children with severe emotional disturbance.  
410.6 Services provided under this section must meet the relevant standards in sections 245.461  
410.7 to 245.4887, the Comprehensive Adult and Children's Mental Health Acts, Minnesota  
410.8 Rules, parts 9520.0900 to 9520.0926, and 9505.0322, excluding subpart 10.

410.9 (b) Entities meeting program standards set out in rules governing family community  
410.10 support services as defined in section 245.4871, subdivision 17, are eligible for medical  
410.11 assistance reimbursement for case management services for children with severe  
410.12 emotional disturbance when these services meet the program standards in Minnesota  
410.13 Rules, parts 9520.0900 to 9520.0926 and 9505.0322, excluding subparts 6 and 10.

410.14 (c) Medical assistance and MinnesotaCare payment for mental health case  
410.15 management shall be made on a monthly basis. In order to receive payment for an eligible  
410.16 child, the provider must document at least a face-to-face contact with the child, the child's  
410.17 parents, or the child's legal representative. To receive payment for an eligible adult, the  
410.18 provider must document:

410.19 (1) at least a face-to-face contact with the adult or the adult's legal representative or a  
410.20 contact by interactive video that meets the requirements of subdivision 20b; or

410.21 (2) at least a telephone contact with the adult or the adult's legal representative  
410.22 and document a face-to-face contact or a contact by interactive video that meets the  
410.23 requirements of subdivision 20b with the adult or the adult's legal representative within  
410.24 the preceding two months.

72.28 (2) for home care targeted case management, case managers may bill for direct case  
72.29 management activities, including face-to-face and telephone contacts; and

72.30 (3) billings for targeted case management services under this subdivision shall not  
72.31 duplicate payments made under other program authorities for the same purpose.

73.22 Sec. 10. Minnesota Statutes 2015 Supplement, section 256B.0625, subdivision 20,  
73.23 is amended to read:

73.1 Subd. 20. **Mental health case management.** (a) To the extent authorized by rule  
73.2 of the state agency, medical assistance covers case management services to persons with  
73.3 serious and persistent mental illness and children with severe emotional disturbance.  
73.4 Services provided under this section must meet the relevant standards in sections 245.461  
73.5 to 245.4887, the Comprehensive Adult and Children's Mental Health Acts, Minnesota  
73.6 Rules, parts 9520.0900 to 9520.0926, and 9505.0322, excluding subpart 10.

73.7 (b) Entities meeting program standards set out in rules governing family community  
73.8 support services as defined in section 245.4871, subdivision 17, are eligible for medical  
73.9 assistance reimbursement for case management services for children with severe  
73.10 emotional disturbance when these services meet the program standards in Minnesota  
73.11 Rules, parts 9520.0900 to 9520.0926 and 9505.0322, excluding subparts 6 and 10.

73.12 (c) Medical assistance and MinnesotaCare payment for mental health case  
73.13 management shall be made on a monthly basis. In order to receive payment for an eligible  
73.14 child, the provider must document at least a face-to-face contact with the child, the child's  
73.15 parents, or the child's legal representative. To receive payment for an eligible adult, the  
73.16 provider must document:

73.17 (1) at least a face-to-face contact with the adult or the adult's legal representative or a  
73.18 contact by interactive video that meets the requirements of subdivision 20b; or

73.19 (2) at least a telephone contact with the adult or the adult's legal representative  
73.20 and document a face-to-face contact or a contact by interactive video that meets the  
73.21 requirements of subdivision 20b with the adult or the adult's legal representative within  
73.22 the preceding two months.

410.25 (d) Payment for mental health case management provided by county or state staff  
 410.26 shall be based on the monthly rate methodology under section 256B.094, subdivision 6,  
 410.27 paragraph (b), with separate rates calculated for child welfare and mental health, and  
 410.28 within mental health, separate rates for children and adults.

410.29 (e) Payment for mental health case management provided by Indian health services  
 410.30 or by agencies operated by Indian tribes may be made according to this section or other  
 410.31 relevant federally approved rate setting methodology.

410.32 (f) Payment for mental health case management provided by vendors who contract  
 410.33 with a county or Indian tribe shall be based on a monthly rate negotiated by the host county  
 410.34 or tribe. The negotiated rate must not exceed the rate charged by the vendor for the same  
 410.35 service to other payers. If the service is provided by a team of contracted vendors, the  
 410.36 county or tribe may negotiate a team rate with a vendor who is a member of the team. The  
 411.1 team shall determine how to distribute the rate among its members. No reimbursement  
 411.2 received by contracted vendors shall be returned to the county or tribe, except to reimburse  
 411.3 the county or tribe for advance funding provided by the county or tribe to the vendor.

411.4 (g) If the service is provided by a team which includes contracted vendors, tribal  
 411.5 staff, and county or state staff, the costs for county or state staff participation in the team  
 411.6 shall be included in the rate for county-provided services. In this case, the contracted  
 411.7 vendor, the tribal agency, and the county may each receive separate payment for services  
 411.8 provided by each entity in the same month. In order to prevent duplication of services,  
 411.9 each entity must document, in the recipient's file, the need for team case management and  
 411.10 a description of the roles of the team members.

411.11 (h) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs  
 411.12 for mental health case management shall be provided by the recipient's county of  
 411.13 responsibility, as defined in sections 256G.01 to 256G.12, from sources other than federal  
 411.14 funds or funds used to match other federal funds. If the service is provided by a tribal  
 411.15 agency, the nonfederal share, if any, shall be provided by the recipient's tribe. When this  
 411.16 service is paid by the state without a federal share through fee-for-service, 50 percent of  
 411.17 the cost shall be provided by the recipient's county of responsibility.

411.18 (i) Notwithstanding any administrative rule to the contrary, prepaid medical  
 411.19 assistance, general assistance medical care, and MinnesotaCare include mental health case  
 411.20 management. When the service is provided through prepaid capitation, the nonfederal  
 411.21 share is paid by the state and the county pays no share.

411.22 (j) The commissioner may suspend, reduce, or terminate the reimbursement to a  
 411.23 provider that does not meet the reporting or other requirements of this section. The county  
 411.24 of responsibility, as defined in sections 256G.01 to 256G.12, or, if applicable, the tribal  
 411.25 agency, is responsible for any federal disallowances. The county or tribe may share this  
 411.26 responsibility with its contracted vendors.

73.23 (d) Payment for mental health case management provided by county or state staff  
 73.24 shall be based on the monthly rate methodology under section 256B.094, subdivision 6,  
 73.25 paragraph (b), with separate rates calculated for child welfare and mental health, and  
 73.26 within mental health, separate rates for children and adults.

73.27 (e) Payment for mental health case management provided by Indian health services  
 73.28 or by agencies operated by Indian tribes may be made according to this section or other  
 73.29 relevant federally approved rate setting methodology.

73.30 (f) Payment for mental health case management provided by vendors who contract  
 73.31 with a county or Indian tribe shall be based on a monthly rate negotiated by the host county  
 73.32 or tribe. The negotiated rate must not exceed the rate charged by the vendor for the same  
 73.33 service to other payers. If the service is provided by a team of contracted vendors, the  
 73.34 county or tribe may negotiate a team rate with a vendor who is a member of the team. The  
 73.35 team shall determine how to distribute the rate among its members. No reimbursement  
 74.1 received by contracted vendors shall be returned to the county or tribe, except to reimburse  
 74.2 the county or tribe for advance funding provided by the county or tribe to the vendor.

74.3 (g) If the service is provided by a team which includes contracted vendors, tribal  
 74.4 staff, and county or state staff, the costs for county or state staff participation in the team  
 74.5 shall be included in the rate for county-provided services. In this case, the contracted  
 74.6 vendor, the tribal agency, and the county may each receive separate payment for services  
 74.7 provided by each entity in the same month. In order to prevent duplication of services,  
 74.8 each entity must document, in the recipient's file, the need for team case management and  
 74.9 a description of the roles of the team members.

74.10 (h) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs  
 74.11 for mental health case management shall be provided by the recipient's county of  
 74.12 responsibility, as defined in sections 256G.01 to 256G.12, from sources other than federal  
 74.13 funds or funds used to match other federal funds. If the service is provided by a tribal  
 74.14 agency, the nonfederal share, if any, shall be provided by the recipient's tribe. When this  
 74.15 service is paid by the state without a federal share through fee-for-service, 50 percent of  
 74.16 the cost shall be provided by the recipient's county of responsibility.

74.17 (i) Notwithstanding any administrative rule to the contrary, prepaid medical  
 74.18 assistance, general assistance medical care, and MinnesotaCare include mental health case  
 74.19 management. When the service is provided through prepaid capitation, the nonfederal  
 74.20 share is paid by the state and the county pays no share.

74.21 (j) The commissioner may suspend, reduce, or terminate the reimbursement to a  
 74.22 provider that does not meet the reporting or other requirements of this section. The county  
 74.23 of responsibility, as defined in sections 256G.01 to 256G.12, or, if applicable, the tribal  
 74.24 agency, is responsible for any federal disallowances. The county or tribe may share this  
 74.25 responsibility with its contracted vendors.

411.27 (k) The commissioner shall set aside a portion of the federal funds earned for county  
 411.28 expenditures under this section to repay the special revenue maximization account under  
 411.29 section 256.01, subdivision 2, paragraph (o). The repayment is limited to:

411.30 (1) the costs of developing and implementing this section; and

411.31 (2) programming the information systems.

411.32 (l) Payments to counties and tribal agencies for case management expenditures  
 411.33 under this section shall only be made from federal earnings from services provided  
 411.34 under this section. When this service is paid by the state without a federal share through  
 411.35 fee-for-service, 50 percent of the cost shall be provided by the state. Payments to  
 412.1 county-contracted vendors shall include the federal earnings, the state share, and the  
 412.2 county share.

412.3 (m) Case management services under this subdivision do not include therapy,  
 412.4 treatment, legal, or outreach services.

412.5 (n) If the recipient is a resident of a nursing facility, intermediate care facility, or  
 412.6 hospital, and the recipient's institutional care is paid by medical assistance, payment for  
 412.7 case management services under this subdivision is limited to the lesser of:

412.8 (1) the last 180 days of the recipient's residency in that facility and may not exceed  
 412.9 more than six months in a calendar year; or

412.10 (2) the limits and conditions which apply to federal Medicaid funding for this service.

412.11 (o) Payment for case management services under this subdivision shall not duplicate  
 412.12 payments made under other program authorities for the same purpose.

412.13 (p) If the recipient is receiving care in a hospital, nursing facility, or residential  
 412.14 setting licensed under chapter 245A or 245D that is staffed 24 hours per day, seven days  
 412.15 per week, mental health targeted case management services are expected to actively  
 412.16 support identification of community alternatives for the recipient and discharge planning.

412.17 Sec. 13. Minnesota Statutes 2014, section 256B.0625, is amended by adding a  
 412.18 subdivision to read:

412.19 Subd. 20b. **Mental health targeted case management through interactive video.**  
 412.20 (a) Subject to federal approval, contact made for targeted case management by interactive  
 412.21 video shall be eligible for payment if:

412.22 (1) the person receiving targeted case management services is residing in:

412.23 (i) a hospital;

412.24 (ii) a nursing facility; or

74.26 (k) The commissioner shall set aside a portion of the federal funds earned for county  
 74.27 expenditures under this section to repay the special revenue maximization account under  
 74.28 section 256.01, subdivision 2, paragraph (o). The repayment is limited to:

74.29 (1) the costs of developing and implementing this section; and

74.30 (2) programming the information systems.

74.31 (l) Payments to counties and tribal agencies for case management expenditures  
 74.32 under this section shall only be made from federal earnings from services provided  
 74.33 under this section. When this service is paid by the state without a federal share through  
 74.34 fee-for-service, 50 percent of the cost shall be provided by the state. Payments to  
 74.35 county-contracted vendors shall include the federal earnings, the state share, and the  
 74.36 county share.

75.1 (m) Case management services under this subdivision do not include therapy,  
 75.2 treatment, legal, or outreach services.

75.3 (n) If the recipient is a resident of a nursing facility, intermediate care facility, or  
 75.4 hospital, and the recipient's institutional care is paid by medical assistance, payment for  
 75.5 case management services under this subdivision is limited to the lesser of:

75.6 (1) the last 180 days of the recipient's residency in that facility and may not exceed  
 75.7 more than six months in a calendar year; or

75.8 (2) the limits and conditions which apply to federal Medicaid funding for this service.

75.9 (o) Payment for case management services under this subdivision shall not duplicate  
 75.10 payments made under other program authorities for the same purpose.

75.11 (p) If the recipient is receiving care in a hospital, nursing facility, or a residential  
 75.12 setting licensed under chapter 245A or 245D that is staffed 24 hours per day, seven  
 75.13 days per week, mental health targeted case management services must actively support  
 75.14 identification of community alternatives and discharge planning for the recipient.

75.15 Sec. 11. Minnesota Statutes 2014, section 256B.0625, is amended by adding a  
 75.16 subdivision to read:

75.17 Subd. 20b. **Mental health targeted case management through interactive video.**  
 75.18 (a) Subject to federal approval, contact made for targeted case management by interactive  
 75.19 video shall be eligible for payment under section 256B.0924, subdivision 6, if:

75.20 (1) the person receiving targeted case management services is residing in:

75.21 (i) a hospital;

75.22 (ii) a nursing facility; or

412.25 (iii) a residential setting licensed under chapter 245A or 245D, or a boarding and  
 412.26 lodging establishment or lodging establishment that provides supportive services or health  
 412.27 supervision services according to section 157.17, which is staffed 24 hours per day, seven  
 412.28 days per week;

412.29 (2) interactive video is in the best interests of the person and is deemed appropriate  
 412.30 by the person receiving targeted case management or their legal guardian, the case  
 412.31 management provider, and the provider operating the setting where the person is residing;

412.32 (3) the use of interactive video is approved as part of the person's written personal  
 412.33 service or case plan taking into consideration the person's vulnerability and active personal  
 412.34 relationships; and

413.1 (4) interactive video is used for up to, but not more than, 50 percent of the minimum  
 413.2 required face-to-face contacts.

413.3 (b) The person receiving targeted case management or their legal guardian has the  
 413.4 right to choose and consent to the use of interactive video under this subdivision, and has  
 413.5 the right to refuse the use of interactive video at any time.

413.6 (c) The commissioner shall establish criteria that a targeted case management  
 413.7 provider must attest to in order to demonstrate the safety or efficacy of delivering the service  
 413.8 via interactive video. The attestation may include that the case management provider:

413.9 (1) has written policies and procedures specific to interactive video services that are  
 413.10 regularly reviewed and updated;

413.11 (2) has polices and procedures that adequately address client safety before, during,  
 413.12 and after the interactive video service is rendered;

413.13 (3) has established protocols addressing how and when to discontinue interactive  
 413.14 video services; and

413.15 (4) has an established quality assurance process related to interactive video services.

413.16 (d) As a condition of payment, the targeted case management provider must  
 413.17 document each occurrence of targeted case management provided by interactive video  
 413.18 and must document:

413.19 (1) the time the service began and the time the service ended, including an a.m. and  
 413.20 p.m. designation;

413.21 (2) the basis for determining that interactive video is an appropriate and effective  
 413.22 means for delivering the service to the enrollees;

413.23 (3) the mode of transmission of the interactive video service and records evidencing  
 413.24 that a particular mode of transmission was utilized;

413.25 (4) the location of the originating site and the distant site; and

75.23 (iii) a residential setting licensed under chapter 245A or 245D, or a boarding and  
 75.24 lodging establishment or a lodging establishment that provides supportive services or  
 75.25 health supervision services according to section 157.17, that is staffed 24 hours per day,  
 75.26 seven days per week;

75.27 (2) interactive video is in the best interests of the person and is deemed appropriate  
 75.28 by the person receiving targeted case management or the person's legal guardian, the case  
 75.29 management provider, and the provider operating the setting where the person is residing;

75.30 (3) the use of interactive video is approved as part of the person's written personal  
 75.31 service or case plan taking into consideration the person's vulnerability and active personal  
 75.32 relationships; and

75.33 (4) interactive video is used for up to, but not more than, 50 percent of the minimum  
 75.34 required face-to-face contacts.

76.1 (b) The person receiving targeted case management or the person's legal guardian  
 76.2 has the right to choose and consent to the use of interactive video under this subdivision  
 76.3 and has the right to refuse the use of interactive video at any time.

76.4 (c) The commissioner shall establish criteria that a targeted case management  
 76.5 provider must attest to in order to demonstrate the safety or efficacy of delivering the service  
 76.6 via interactive video. The attestation may include that the case management provider has:

76.7 (1) written policies and procedures specific to interactive video services that are  
 76.8 regularly reviewed and updated;

76.9 (2) policies and procedures that adequately address client safety before, during, and  
 76.10 after the interactive video services are rendered;

76.11 (3) established protocols addressing how and when to discontinue interactive video  
 76.12 services; and

76.13 (4) established a quality assurance process related to interactive video services.

76.14 (d) As a condition of payment, the targeted case management provider must  
 76.15 document the following for each occurrence of targeted case management provided by  
 76.16 interactive video:

76.17 (1) the time the service began and the time the service ended, including an a.m. and  
 76.18 p.m. designation;

76.19 (2) the basis for determining that interactive video is an appropriate and effective  
 76.20 means for delivering the service to the person receiving case management services;

76.21 (3) the mode of transmission of the interactive video services and records evidencing  
 76.22 that a particular mode of transmission was utilized;

76.23 (4) the location of the originating site and the distant site; and

413.26 (5) compliance with the criteria attested to by the health care provider in accordance  
 413.27 with paragraph (c).

413.28 Sec. 14. Minnesota Statutes 2014, section 256B.0924, is amended by adding a  
 413.29 subdivision to read:

413.30 Subd. 4a. **Targeted case management through interactive video.** (a) Subject to  
 413.31 federal approval, contact made for targeted case management by interactive video shall be  
 413.32 eligible for payment if:

413.33 (1) the person receiving targeted case management services is residing in:

413.34 (i) a hospital;

413.35 (ii) a nursing facility; or

414.1 (iii) a residential setting licensed under chapter 245A or 245D, or a boarding and  
 414.2 lodging establishment or lodging establishment that provides supportive services or  
 414.3 health supervision services according to section 157.17, and that is staffed 24 hours per  
 414.4 day, seven days per week;

414.5 (2) interactive video is in the best interests of the person and is deemed appropriate  
 414.6 by the person receiving targeted case management or their legal guardian, the case  
 414.7 management provider, and the provider operating the setting where the person is residing;

414.8 (3) the use of interactive video is approved as part of the person's written personal  
 414.9 service or case plan; and

414.10 (4) interactive video is used for up to, but not more than, 50 percent of the minimum  
 414.11 required face-to-face contacts.

414.12 (b) The person receiving targeted case management or their legal guardian has the  
 414.13 right to choose and consent to the use of interactive video under this subdivision, and has  
 414.14 the right to refuse the use of interactive video at any time.

414.15 (c) The commissioner shall establish criteria that a targeted case management  
 414.16 provider must attest to in order to demonstrate the safety or efficacy of delivering the service  
 414.17 via interactive video. The attestation may include that the case management provider:

414.18 (1) has written policies and procedures specific to interactive video services that are  
 414.19 regularly reviewed and updated;

414.20 (2) has polices and procedures that adequately address client safety before, during,  
 414.21 and after the interactive video service is rendered;

414.22 (3) has established protocols addressing how and when to discontinue interactive  
 414.23 video services; and

414.24 (4) has an established quality assurance process related to interactive video services.

76.24 (5) compliance with the criteria attested to by the targeted case management provider  
 76.25 as provided in paragraph (c).

76.26 Sec. 12. Minnesota Statutes 2014, section 256B.0924, is amended by adding a  
 76.27 subdivision to read:

76.28 Subd. 4a. **Targeted case management through interactive video.** (a) Subject to  
 76.29 federal approval, contact made for targeted case management by interactive video shall be  
 76.30 eligible for payment under subdivision 6 if:

76.31 (1) the person receiving targeted case management services is residing in:

76.32 (i) a hospital;

76.33 (ii) a nursing facility;

76.34 (iii) a residential setting licensed under chapter 245A or 245D, or a boarding and  
 76.35 lodging establishment or a lodging establishment that provides supportive services or  
 77.1 health supervision services according to section 157.17, that is staffed 24 hours per day,  
 77.2 seven days per week;

77.3 (2) interactive video is in the best interests of the person and is deemed appropriate  
 77.4 by the person receiving targeted case management or the person's legal guardian, the case  
 77.5 management provider, and the provider operating the setting where the person is residing;

77.6 (3) the use of interactive video is approved as part of the person's written personal  
 77.7 service or case plan; and

77.8 (4) interactive video is used for up to, but not more than, 50 percent of the minimum  
 77.9 required face-to-face contacts.

77.10 (b) The person receiving targeted case management or the person's legal guardian  
 77.11 has the right to choose and consent to the use of interactive video under this subdivision  
 77.12 and has the right to refuse the use of interactive video at any time.

77.13 (c) The commissioner shall establish criteria that a targeted case management  
 77.14 provider must attest to in order to demonstrate the safety or efficacy of delivering the service  
 77.15 via interactive video. The attestation may include that the case management provider has:

77.16 (1) written policies and procedures specific to interactive video services that are  
 77.17 regularly reviewed and updated;

77.18 (2) policies and procedures that adequately address client safety before, during, and  
 77.19 after the interactive video services are rendered;

77.20 (3) established protocols addressing how and when to discontinue interactive video  
 77.21 services; and

77.22 (4) established a quality assurance process related to interactive video services.

414.25 (d) As a condition of payment, the targeted case management provider must  
 414.26 document each occurrence of targeted case management provided by interactive video  
 414.27 and must document:

414.28 (1) the time the service began and the time the service ended, including an a.m. and  
 414.29 p.m. designation;

414.30 (2) the basis for determining that interactive video is an appropriate and effective  
 414.31 means for delivering the service to the enrollees;

414.32 (3) the mode of transmission of the interactive video service and records evidencing  
 414.33 that a particular mode of transmission was utilized;

414.34 (4) the location of the originating site and the distant site; and

414.35 (5) compliance with the criteria attested to by the health care provider in accordance  
 414.36 with paragraph (c).

415.1 Sec. 15. **CHILDREN'S MENTAL HEALTH COLLABORATIVE; YOUTH AND**  
 415.2 **YOUNG ADULT MENTAL HEALTH DEMONSTRATION PROJECT.**

415.3 (a) The commissioner of human services shall grant funds to a children's mental  
 415.4 health collaborative for a rural demonstration project to assist transition-aged youth and  
 415.5 young adults with emotional behavioral disturbance (EBD) or mental illnesses in making  
 415.6 a successful transition into adulthood.

415.7 (b) The demonstration project must:

415.8 (1) build on and streamline transition services by identifying rural youth ages 15 to  
 415.9 25 currently in the mental health system or with emerging mental health conditions;

415.10 (2) support youth to achieve, within their potential, their personal goals in  
 415.11 employment, education, housing, and community life functioning;

415.12 (3) provide individualized motivational coaching;

415.13 (4) build on needed social supports;

415.14 (5) demonstrate how services can be enhanced for youth to successfully navigate the  
 415.15 complexities associated with their unique needs;

415.16 (6) utilize all available funding streams;

415.17 (7) demonstrate collaboration with the local children's mental health collaborative in  
 415.18 designing and implementing the demonstration project;

415.19 (8) evaluate the effectiveness of the project by specifying and measuring outcomes  
 415.20 showing the level of progress for involved youth; and

77.23 (d) As a condition of payment, the targeted case management provider must  
 77.24 document the following for each occurrence of targeted case management provided by  
 77.25 interactive video:

77.26 (1) the time the service began and the time the service ended, including an a.m. and  
 77.27 p.m. designation;

77.28 (2) the basis for determining that interactive video is an appropriate and effective  
 77.29 means for delivering the service to the person receiving case management services;

77.30 (3) the mode of transmission of the interactive video services and records evidencing  
 77.31 that a particular mode of transmission was utilized;

77.32 (4) the location of the originating site and the distant site; and

77.33 (5) compliance with the criteria attested to by the targeted case management provider  
 77.34 as provided in paragraph (c).

78.4 Sec. 14. **RURAL DEMONSTRATION PROJECT.**

78.5 (a) Children's mental health collaboratives under Minnesota Statutes, section  
 78.6 245.493, are eligible to apply for grant funding under this section. The commissioner shall  
 78.7 solicit proposals and select the proposal that best meets the requirements under paragraph  
 78.8 (c). Only one demonstration project may be funded under this section.

78.9 (b) The demonstration project must:

78.10 (1) support youth served to achieve, within their potential, their personal goals  
 78.11 in employment, education, living situation, personal effectiveness, and community life  
 78.12 functioning;

78.13 (2) build on and streamline transition services by identifying rural youth ages 15 to  
 78.14 25 currently in the mental health system or with emerging mental health conditions;

78.15 (3) provide individualized motivational coaching;

78.16 (4) build needed social supports;

78.17 (5) demonstrate how services can be enhanced for youth to successfully navigate the  
 78.18 complexities associated with their unique needs;

78.19 (6) utilize all available funding streams;

78.20 (7) evaluate the effectiveness of the project; and

78.21 (8) compare differences in outcomes and costs to youth without previous access  
 78.22 to this project.



415.21 (9) compare differences in outcomes and costs to youth without previous access  
415.22 to this project.

415.23 (c) The commissioner shall report to the committee members of the senate and house  
415.24 of representatives committees with jurisdiction over mental health issues on the status and  
415.25 outcomes of the demonstration project by January 15, 2019. The children's mental health  
415.26 collaborative administering the demonstration project shall collect and report outcome  
415.27 data, as outlined by the commissioner, to support the development of this report.

415.28 Sec. 16. **COMMISSIONER DUTY TO SEEK FEDERAL APPROVAL FOR**  
415.29 **INTERACTIVE VIDEO CONTACT.**

415.30 The commissioner of human services shall seek federal approval that is necessary to  
415.31 implement the sections of this article related to reimbursement for interactive video contact.

78.23 (c) The commissioner shall report to the chairs and ranking minority members of  
78.24 the house of representatives and senate committees with jurisdiction over mental health  
78.25 issues on the status and outcomes of the demonstration project by January 15, 2019. The  
78.26 children's mental health collaboratives administering the demonstration project shall  
78.27 collect and report outcome data, per guidelines approved by the commissioner, to support  
78.28 the development of this report.

77.35 Sec. 13. **COMMISSIONER DUTY TO SEEK FEDERAL APPROVAL.**

78.1 The commissioner of human services shall seek federal approval that is necessary  
78.2 to implement Minnesota Statutes, sections 256B.0621, subdivision 10, and 256B.0625,  
78.3 subdivision 20, for interactive video contact.