

1.1 moves to amend H.F. No. 3100 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2021 Supplement, section 256B.4914, subdivision 5, as
1.4 amended by Laws 2022, chapter 33, section 1, subdivision 5, is amended to read:

1.5 Subd. 5. **Base wage index; establishment and updates.** (a) The base wage index is
1.6 established to determine staffing costs associated with providing services to individuals
1.7 receiving home and community-based services. For purposes of calculating the base wage,
1.8 Minnesota-specific wages taken from job descriptions and standard occupational
1.9 classification (SOC) codes from the Bureau of Labor Statistics as defined in the Occupational
1.10 Handbook must be used.

1.11 (b) The commissioner shall update the base wage index in subdivision 5a, publish these
1.12 updated values, and load them into the rate management system as follows:

1.13 (1) on January 1, 2022, based on wage data by SOC from the Bureau of Labor Statistics
1.14 available as of December 31, 2019; and

1.15 (2) on ~~November 1, 2024~~ January 1, 2025, and every two years thereafter, based on the
1.16 most recently available wage data by SOC from the Bureau of Labor Statistics ~~available as~~
1.17 ~~of December 31, 2021; and~~

1.18 ~~(3) on July 1, 2026, and every two years thereafter, based on wage data by SOC from~~
1.19 ~~the Bureau of Labor Statistics available 30 months and one day prior to the scheduled update.~~

1.20 Sec. 2. Minnesota Statutes 2020, section 256B.4914, subdivision 8, as amended by Laws
1.21 2022, chapter 33, section 1, subdivision 8, is amended to read:

1.22 Subd. 8. **Unit-based services with programming; component values and calculation**
1.23 **of payment rates.** (a) For the purpose of this section, unit-based services with programming

2.1 include employment exploration services, employment development services, employment
2.2 support services, individualized home supports with family training, individualized home
2.3 supports with training, and positive support services provided to an individual outside of
2.4 any service plan for a day program or residential support service.

2.5 (b) Component values for unit-based services with programming are:

2.6 (1) competitive workforce factor: 4.7 percent;

2.7 (2) supervisory span of control ratio: 11 percent;

2.8 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

2.9 (4) employee-related cost ratio: 23.6 percent;

2.10 (5) program plan support ratio: 15.5 percent;

2.11 (6) client programming and support ratio: 4.7 percent, updated as specified in subdivision

2.12 5b;

2.13 (7) general administrative support ratio: 13.25 percent;

2.14 (8) program-related expense ratio: 6.1 percent; and

2.15 (9) absence and utilization factor ratio: 3.9 percent.

2.16 (c) A unit of service for unit-based services with programming is 15 minutes.

2.17 (d) Payments for unit-based services with programming must be calculated as follows,
2.18 unless the services are reimbursed separately as part of a residential support services or day
2.19 program payment rate:

2.20 (1) determine the number of units of service to meet a recipient's needs;

2.21 (2) determine the appropriate hourly staff wage rates derived by the commissioner as
2.22 provided in subdivisions 5 and 5a;

2.23 (3) except for subdivision 5a, clauses ~~(1)~~ (2) to (4), multiply the result of clause (2) by
2.24 the product of one plus the competitive workforce factor;

2.25 (4) for a recipient requiring customization for deaf and hard-of-hearing language
2.26 accessibility under subdivision 12, add the customization rate provided in subdivision 12
2.27 to the result of clause (3);

2.28 (5) multiply the number of direct staffing hours by the appropriate staff wage;

3.1 (6) multiply the number of direct staffing hours by the product of the supervisory span
3.2 of control ratio and the appropriate supervisory staff wage as calculated in subdivision 5a,
3.3 ~~clause (4)~~ (3);

3.4 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the
3.5 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing
3.6 rate;

3.7 (8) for program plan support, multiply the result of clause (7) by one plus the program
3.8 plan support ratio;

3.9 (9) for employee-related expenses, multiply the result of clause (8) by one plus the
3.10 employee-related cost ratio;

3.11 (10) for client programming and supports, multiply the result of clause (9) by one plus
3.12 the client programming and support ratio;

3.13 (11) this is the subtotal rate;

3.14 (12) sum the standard general administrative support ratio, the program-related expense
3.15 ratio, and the absence and utilization factor ratio;

3.16 (13) divide the result of clause (11) by one minus the result of clause (12). This is the
3.17 total payment amount;

3.18 (14) for services provided in a shared manner, divide the total payment in clause (13)
3.19 as follows:

3.20 (i) for employment exploration services, divide by the number of service recipients, not
3.21 to exceed five;

3.22 (ii) for employment support services, divide by the number of service recipients, not to
3.23 exceed six; and

3.24 (iii) for individualized home supports with training and individualized home supports
3.25 with family training, divide by the number of service recipients, not to exceed two; and

3.26 (15) adjust the result of clause (14) by a factor to be determined by the commissioner
3.27 to adjust for regional differences in the cost of providing services.

3.28 Sec. 3. Minnesota Statutes 2020, section 256B.4914, subdivision 9, as amended by Laws
3.29 2022, chapter 33, section 1, subdivision 9, is amended to read:

3.30 Subd. 9. **Unit-based services without programming; component values and**
3.31 **calculation of payment rates.** (a) For the purposes of this section, unit-based services

4.1 without programming include individualized home supports without training and night
4.2 supervision provided to an individual outside of any service plan for a day program or
4.3 residential support service. Unit-based services without programming do not include respite.

4.4 (b) Component values for unit-based services without programming are:

4.5 (1) competitive workforce factor: 4.7 percent;

4.6 (2) supervisory span of control ratio: 11 percent;

4.7 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

4.8 (4) employee-related cost ratio: 23.6 percent;

4.9 (5) program plan support ratio: 7.0 percent;

4.10 (6) client programming and support ratio: 2.3 percent, updated as specified in subdivision
4.11 5b;

4.12 (7) general administrative support ratio: 13.25 percent;

4.13 (8) program-related expense ratio: 2.9 percent; and

4.14 (9) absence and utilization factor ratio: 3.9 percent.

4.15 (c) A unit of service for unit-based services without programming is 15 minutes.

4.16 (d) Payments for unit-based services without programming must be calculated as follows
4.17 unless the services are reimbursed separately as part of a residential support services or day
4.18 program payment rate:

4.19 (1) determine the number of units of service to meet a recipient's needs;

4.20 (2) determine the appropriate hourly staff wage rates derived by the commissioner as
4.21 provided in subdivisions 5 to 5a;

4.22 (3) except for subdivision 5a, clauses ~~(1)~~ (2) to (4), multiply the result of clause (2) by
4.23 the product of one plus the competitive workforce factor;

4.24 (4) for a recipient requiring customization for deaf and hard-of-hearing language
4.25 accessibility under subdivision 12, add the customization rate provided in subdivision 12
4.26 to the result of clause (3);

4.27 (5) multiply the number of direct staffing hours by the appropriate staff wage;

4.28 (6) multiply the number of direct staffing hours by the product of the supervisory span
4.29 of control ratio and the appropriate supervisory staff wage as calculated in subdivision 5a;
4.30 clause ~~(1)~~ (3);

5.1 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the
5.2 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing
5.3 rate;

5.4 (8) for program plan support, multiply the result of clause (7) by one plus the program
5.5 plan support ratio;

5.6 (9) for employee-related expenses, multiply the result of clause (8) by one plus the
5.7 employee-related cost ratio;

5.8 (10) for client programming and supports, multiply the result of clause (9) by one plus
5.9 the client programming and support ratio;

5.10 (11) this is the subtotal rate;

5.11 (12) sum the standard general administrative support ratio, the program-related expense
5.12 ratio, and the absence and utilization factor ratio;

5.13 (13) divide the result of clause (11) by one minus the result of clause (12). This is the
5.14 total payment amount;

5.15 (14) for individualized home supports without training provided in a shared manner,
5.16 divide the total payment amount in clause (13) by the number of service recipients, not to
5.17 exceed two; and

5.18 (15) adjust the result of clause (14) by a factor to be determined by the commissioner
5.19 to adjust for regional differences in the cost of providing services.

5.20 Sec. 4. Laws 2022, chapter 33, section 1, subdivision 5b, is amended to read:

5.21 Subd. 5b. **Standard component value adjustments.** The commissioner shall update
5.22 the client and programming support, transportation, and program facility cost component
5.23 values as required in subdivisions 6 to 9a for changes in the Consumer Price Index. The
5.24 commissioner shall adjust these values higher or lower, publish these updated values, and
5.25 load them into the rate management system as follows:

5.26 (1) on January 1, 2022, by the percentage change in the CPI-U from the date of the
5.27 previous update to the data available on December 31, 2019; and

5.28 (2) on ~~November 1, 2024~~ January 1, 2025, and every two years thereafter, by the
5.29 percentage change in the CPI-U from the date of the ~~previous update to the data available~~
5.30 ~~as of December 31, 2021; and~~

6.1 (3) on July 1, 2026, and every two years thereafter, by the percentage change in the
6.2 CPI-U from the date of the previous update to the data available ~~30~~ six months and one day
6.3 prior to the scheduled update.

6.4 Sec. 5. Laws 2022, chapter 33, section 1, subdivision 5c, is amended to read:

6.5 Subd. 5c. **Removal of after-framework adjustments.** Any rate adjustments applied to
6.6 the service rates calculated under this section outside of the cost components and rate
6.7 methodology specified in this section shall be removed from rate calculations upon
6.8 implementation of the updates under subdivisions 5 ~~and~~, 5b, and 5f.

6.9 Sec. 6. Laws 2022, chapter 33, section 1, subdivision 5d, is amended to read:

6.10 Subd. 5d. **Unavailable data for updates and adjustments.** If Bureau of Labor Statistics
6.11 occupational codes or Consumer Price Index items specified in subdivisions 5 ~~or~~, 5b, or 5f
6.12 are unavailable in the future, the commissioner shall recommend to the legislature codes or
6.13 items to update and replace.

6.14 Sec. 7. Laws 2022, chapter 33, section 1, is amended by adding a subdivision to read:

6.15 Subd. 5f. **Competitive workforce factor adjustments.** (a) On January 1, 2023, and
6.16 every two years thereafter, the commissioner shall update the competitive workforce factor
6.17 to equal the differential between:

6.18 (1) the most recently available wage data by SOC code for the weighted average wage
6.19 for direct care staff for residential services and direct care staff for day services; and

6.20 (2) the most recently available wage data by SOC code of the weighted average wage
6.21 of comparable occupations.

6.22 (b) For each update of the competitive workforce factor, if the competitive workforce
6.23 factor is less than or equal to zero, then the competitive workforce factor is zero.

6.24 Sec. 8. Laws 2022, chapter 33, section 1, is amended by adding a subdivision to read:

6.25 Subd. 5g. **Inflationary update spending requirement; competitive workforce**
6.26 **factor.** (a) One hundred percent of the marginal increase in revenue from the rate adjustment
6.27 applied to the service rates calculated under this section in subdivision 5f, beginning on
6.28 January 1, 2023, for services rendered between January 1, 2023, and December 31, 2023,
6.29 must be used to increase compensation-related costs for employees directly employed by
6.30 the program on or after January 1, 2023.

7.1 (b) For the purposes of this subdivision, compensation-related costs include:

7.2 (1) wages and salaries;

7.3 (2) the employer's share of FICA taxes, Medicare taxes, state and federal unemployment
7.4 taxes, workers' compensation, and mileage reimbursement;

7.5 (3) the employer's paid share of health and dental insurance, life insurance, disability
7.6 insurance, long-term care insurance, uniform allowance, pensions, and contributions to
7.7 employee retirement accounts; and

7.8 (4) benefits that address direct support professional workforce needs above and beyond
7.9 what employees were offered prior to January 1, 2023, including retention and recruitment
7.10 bonuses and tuition reimbursement.

7.11 (c) Compensation-related costs for persons employed in the central office of a corporation
7.12 or entity that has an ownership interest in the provider or exercises control over the provider,
7.13 or for persons paid by the provider under a management contract, do not count toward the
7.14 100 percent requirement under this subdivision.

7.15 (d) A provider agency or individual provider that receives a rate subject to the
7.16 requirements of this subdivision shall prepare, and upon request submit to the commissioner,
7.17 a distribution plan that specifies the amount of money the provider expects to receive that
7.18 is subject to the requirements of this subdivision, including how that money was or will be
7.19 distributed to increase compensation-related costs for employees. Within 60 days of final
7.20 implementation of a rate adjustment subject to the requirements of this subdivision, the
7.21 provider must post the distribution plan and leave it posted for a period of at least six months
7.22 in an area of the provider's operation to which all direct support professionals have access.

7.23 (e) This subdivision expires June 30, 2024.

7.24 Sec. 9. Laws 2022, chapter 33, section 1, subdivision 6a, is amended to read:

7.25 Subd. 6a. **Community residential services; component values and calculation of**
7.26 **payment rates.** (a) Component values for community residential services are:

7.27 (1) competitive workforce factor: 4.7 percent;

7.28 (2) supervisory span of control ratio: 11 percent;

7.29 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

7.30 (4) employee-related cost ratio: 23.6 percent;

7.31 (5) general administrative support ratio: 13.25 percent;

8.1 (6) program-related expense ratio: 1.3 percent; and

8.2 (7) absence and utilization factor ratio: 3.9 percent.

8.3 (b) Payments for community residential services must be calculated as follows:

8.4 (1) determine the number of shared direct staffing and individual direct staffing hours
8.5 to meet a recipient's needs provided on site or through monitoring technology;

8.6 (2) determine the appropriate hourly staff wage rates derived by the commissioner as
8.7 provided in subdivisions 5 and 5a;

8.8 (3) except for subdivision 5a, clauses ~~(1)~~ (2) to (4), multiply the result of clause (2) by
8.9 the product of one plus the competitive workforce factor;

8.10 (4) for a recipient requiring customization for deaf and hard-of-hearing language
8.11 accessibility under subdivision 12, add the customization rate provided in subdivision 12
8.12 to the result of clause (3);

8.13 (5) multiply the number of shared direct staffing and individual direct staffing hours
8.14 provided on site or through monitoring technology and nursing hours by the appropriate
8.15 staff wages;

8.16 (6) multiply the number of shared direct staffing and individual direct staffing hours
8.17 provided on site or through monitoring technology and nursing hours by the product of the
8.18 supervision span of control ratio and the appropriate supervisory staff wage as calculated
8.19 in ~~subdivision 5a~~, clause ~~(1)~~ (3);

8.20 (7) combine the results of clauses (5) and (6), excluding any shared direct staffing and
8.21 individual direct staffing hours provided through monitoring technology, and multiply the
8.22 result by one plus the employee vacation, sick, and training allowance ratio. This is defined
8.23 as the direct staffing cost;

8.24 (8) for employee-related expenses, multiply the direct staffing cost, excluding any shared
8.25 direct staffing and individual hours provided through monitoring technology, by one plus
8.26 the employee-related cost ratio;

8.27 (9) for client programming and supports, add \$2,260.21 divided by 365. The
8.28 commissioner shall update the amount in this clause as specified in subdivision 5b;

8.29 (10) for transportation, if provided, add \$1,742.62 divided by 365, or \$3,111.81 divided
8.30 by 365 if customized for adapted transport, based on the resident with the highest assessed
8.31 need. The commissioner shall update the amounts in this clause as specified in subdivision
8.32 5b;

9.1 (11) subtotal clauses (8) to (10) and the direct staffing cost of any shared direct staffing
9.2 and individual direct staffing hours provided through monitoring technology that was
9.3 excluded in clause (8);

9.4 (12) sum the standard general administrative support ratio, the program-related expense
9.5 ratio, and the absence and utilization factor ratio;

9.6 (13) divide the result of clause (11) by one minus the result of clause (12). This is the
9.7 total payment amount; and

9.8 (14) adjust the result of clause (13) by a factor to be determined by the commissioner
9.9 to adjust for regional differences in the cost of providing services.

9.10 Sec. 10. Laws 2022, chapter 33, section 1, subdivision 6b, is amended to read:

9.11 Subd. 6b. **Family residential services; component values and calculation of payment**
9.12 **rates.** (a) Component values for family residential services are:

9.13 (1) competitive workforce factor: 4.7 percent;

9.14 (2) supervisory span of control ratio: 11 percent;

9.15 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

9.16 (4) employee-related cost ratio: 23.6 percent;

9.17 (5) general administrative support ratio: 3.3 percent;

9.18 (6) program-related expense ratio: 1.3 percent; and

9.19 (7) absence factor: 1.7 percent.

9.20 (b) Payments for family residential services must be calculated as follows:

9.21 (1) determine the number of shared direct staffing and individual direct staffing hours
9.22 to meet a recipient's needs provided on site or through monitoring technology;

9.23 (2) determine the appropriate hourly staff wage rates derived by the commissioner as
9.24 provided in subdivisions 5 and 5a;

9.25 (3) except for subdivision 5a, clauses ~~(1)~~ (2) to (4), multiply the result of clause (2) by
9.26 the product of one plus the competitive workforce factor;

9.27 (4) for a recipient requiring customization for deaf and hard-of-hearing language
9.28 accessibility under subdivision 12, add the customization rate provided in subdivision 12
9.29 to the result of clause (3);

10.1 (5) multiply the number of shared direct staffing and individual direct staffing hours
10.2 provided on site or through monitoring technology and nursing hours by the appropriate
10.3 staff wages;

10.4 (6) multiply the number of shared direct staffing and individual direct staffing hours
10.5 provided on site or through monitoring technology and nursing hours by the product of the
10.6 supervisory span of control ratio and the appropriate supervisory staff wage as calculated
10.7 in ~~subdivision 5a~~, clause ~~(1)~~ (3);

10.8 (7) combine the results of clauses (5) and (6), excluding any shared direct staffing and
10.9 individual direct staffing hours provided through monitoring technology, and multiply the
10.10 result by one plus the employee vacation, sick, and training allowance ratio. This is defined
10.11 as the direct staffing cost;

10.12 (8) for employee-related expenses, multiply the direct staffing cost, excluding any shared
10.13 and individual direct staffing hours provided through monitoring technology, by one plus
10.14 the employee-related cost ratio;

10.15 (9) for client programming and supports, add \$2,260.21 divided by 365. The
10.16 commissioner shall update the amount in this clause as specified in subdivision 5b;

10.17 (10) for transportation, if provided, add \$1,742.62 divided by 365, or \$3,111.81 divided
10.18 by 365 if customized for adapted transport, based on the resident with the highest assessed
10.19 need. The commissioner shall update the amounts in this clause as specified in subdivision
10.20 5b;

10.21 (11) subtotal clauses (8) to (10) and the direct staffing cost of any shared direct staffing
10.22 and individual direct staffing hours provided through monitoring technology that was
10.23 excluded in clause (8);

10.24 (12) sum the standard general administrative support ratio, the program-related expense
10.25 ratio, and the absence and utilization factor ratio;

10.26 (13) divide the result of clause (11) by one minus the result of clause (12). This is the
10.27 total payment rate; and

10.28 (14) adjust the result of clause (13) by a factor to be determined by the commissioner
10.29 to adjust for regional differences in the cost of providing services.

10.30 Sec. 11. Laws 2022, chapter 33, section 1, subdivision 6c, is amended to read:

10.31 Subd. 6c. **Integrated community supports; component values and calculation of**
10.32 **payment rates.** (a) Component values for integrated community supports are:

- 11.1 (1) competitive workforce factor: 4.7 percent;
- 11.2 (2) supervisory span of control ratio: 11 percent;
- 11.3 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;
- 11.4 (4) employee-related cost ratio: 23.6 percent;
- 11.5 (5) general administrative support ratio: 13.25 percent;
- 11.6 (6) program-related expense ratio: 1.3 percent; and
- 11.7 (7) absence and utilization factor ratio: 3.9 percent.
- 11.8 (b) Payments for integrated community supports must be calculated as follows:
- 11.9 (1) determine the number of shared direct staffing and individual direct staffing hours
- 11.10 to meet a recipient's needs. The base shared direct staffing hours must be eight hours divided
- 11.11 by the number of people receiving support in the integrated community support setting, and
- 11.12 the individual direct staffing hours must be the average number of direct support hours
- 11.13 provided directly to the service recipient;
- 11.14 (2) determine the appropriate hourly staff wage rates derived by the commissioner as
- 11.15 provided in subdivisions 5 and 5a;
- 11.16 (3) except for subdivision 5a, clauses ~~(1)~~ (2) to (4), multiply the result of clause (2) by
- 11.17 the product of one plus the competitive workforce factor;
- 11.18 (4) for a recipient requiring customization for deaf and hard-of-hearing language
- 11.19 accessibility under subdivision 12, add the customization rate provided in subdivision 12
- 11.20 to the result of clause (3);
- 11.21 (5) multiply the number of shared direct staffing and individual direct staffing hours in
- 11.22 clause (1) by the appropriate staff wages;
- 11.23 (6) multiply the number of shared direct staffing and individual direct staffing hours in
- 11.24 clause (1) by the product of the supervisory span of control ratio and the appropriate
- 11.25 supervisory staff wage as calculated in subdivision 5a, clause ~~(1)~~ (3);
- 11.26 (7) combine the results of clauses (5) and (6) and multiply the result by one plus the
- 11.27 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing
- 11.28 cost;
- 11.29 (8) for employee-related expenses, multiply the direct staffing cost by one plus the
- 11.30 employee-related cost ratio;

- 12.1 (9) for client programming and supports, add \$2,260.21 divided by 365. The
12.2 commissioner shall update the amount in this clause as specified in subdivision 5b;
- 12.3 (10) add the results of clauses (8) and (9);
- 12.4 (11) add the standard general administrative support ratio, the program-related expense
12.5 ratio, and the absence and utilization factor ratio;
- 12.6 (12) divide the result of clause (10) by one minus the result of clause (11). This is the
12.7 total payment amount; and
- 12.8 (13) adjust the result of clause (12) by a factor to be determined by the commissioner
12.9 to adjust for regional differences in the cost of providing services.

12.10 Sec. 12. Laws 2022, chapter 33, section 1, subdivision 7a, is amended to read:

12.11 Subd. 7a. **Adult day services; component values and calculation of payment rates.** (a)

12.12 Component values for adult day services are:

- 12.13 (1) competitive workforce factor: 4.7 percent;
- 12.14 (2) supervisory span of control ratio: 11 percent;
- 12.15 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;
- 12.16 (4) employee-related cost ratio: 23.6 percent;
- 12.17 (5) program plan support ratio: 5.6 percent;
- 12.18 (6) client programming and support ratio: 7.4 percent, updated as specified in subdivision
12.19 5b;
- 12.20 (7) general administrative support ratio: 13.25 percent;
- 12.21 (8) program-related expense ratio: 1.8 percent; and
- 12.22 (9) absence and utilization factor ratio: 9.4 percent.

12.23 (b) A unit of service for adult day services is either a day or 15 minutes. A day unit of
12.24 service is six or more hours of time spent providing direct service.

12.25 (c) Payments for adult day services must be calculated as follows:

- 12.26 (1) determine the number of units of service and the staffing ratio to meet a recipient's
12.27 needs;
- 12.28 (2) determine the appropriate hourly staff wage rates derived by the commissioner as
12.29 provided in subdivisions 5 and 5a;

- 13.1 (3) except for subdivision 5a, clauses ~~(1)~~ (2) to (4), multiply the result of clause (2) by
13.2 the product of one plus the competitive workforce factor;
- 13.3 (4) for a recipient requiring customization for deaf and hard-of-hearing language
13.4 accessibility under subdivision 12, add the customization rate provided in subdivision 12
13.5 to the result of clause (3);
- 13.6 (5) multiply the number of day program direct staffing hours and nursing hours by the
13.7 appropriate staff wage;
- 13.8 (6) multiply the number of day program direct staffing hours by the product of the
13.9 supervisory span of control ratio and the appropriate supervisory staff wage as calculated
13.10 in ~~subdivision 5a~~, clause ~~(1)~~ (3);
- 13.11 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the
13.12 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing
13.13 rate;
- 13.14 (8) for program plan support, multiply the result of clause (7) by one plus the program
13.15 plan support ratio;
- 13.16 (9) for employee-related expenses, multiply the result of clause (8) by one plus the
13.17 employee-related cost ratio;
- 13.18 (10) for client programming and supports, multiply the result of clause (9) by one plus
13.19 the client programming and support ratio;
- 13.20 (11) for program facility costs, add \$19.30 per week with consideration of staffing ratios
13.21 to meet individual needs, updated as specified in subdivision 5b;
- 13.22 (12) for adult day bath services, add \$7.01 per 15 minute unit;
- 13.23 (13) this is the subtotal rate;
- 13.24 (14) sum the standard general administrative rate support ratio, the program-related
13.25 expense ratio, and the absence and utilization factor ratio;
- 13.26 (15) divide the result of clause (13) by one minus the result of clause (14). This is the
13.27 total payment amount; and
- 13.28 (16) adjust the result of clause (15) by a factor to be determined by the commissioner
13.29 to adjust for regional differences in the cost of providing services.

14.1 Sec. 13. Laws 2022, chapter 33, section 1, subdivision 7b, is amended to read:

14.2 Subd. 7b. **Day support services; component values and calculation of payment**

14.3 **rates.** (a) Component values for day support services are:

14.4 (1) competitive workforce factor: 4.7 percent;

14.5 (2) supervisory span of control ratio: 11 percent;

14.6 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

14.7 (4) employee-related cost ratio: 23.6 percent;

14.8 (5) program plan support ratio: 5.6 percent;

14.9 (6) client programming and support ratio: 10.37 percent, updated as specified in

14.10 subdivision 5b;

14.11 (7) general administrative support ratio: 13.25 percent;

14.12 (8) program-related expense ratio: 1.8 percent; and

14.13 (9) absence and utilization factor ratio: 9.4 percent.

14.14 (b) A unit of service for day support services is 15 minutes.

14.15 (c) Payments for day support services must be calculated as follows:

14.16 (1) determine the number of units of service and the staffing ratio to meet a recipient's

14.17 needs;

14.18 (2) determine the appropriate hourly staff wage rates derived by the commissioner as

14.19 provided in subdivisions 5 and 5a;

14.20 (3) except for subdivision 5a, clauses ~~(1)~~ (2) to (4), multiply the result of clause (2) by

14.21 the product of one plus the competitive workforce factor;

14.22 (4) for a recipient requiring customization for deaf and hard-of-hearing language

14.23 accessibility under subdivision 12, add the customization rate provided in subdivision 12

14.24 to the result of clause (3);

14.25 (5) multiply the number of day program direct staffing hours and nursing hours by the

14.26 appropriate staff wage;

14.27 (6) multiply the number of day program direct staffing hours by the product of the

14.28 supervisory span of control ratio and the appropriate supervisory staff wage as calculated

14.29 in ~~subdivision 5a~~, clause ~~(1)~~ (3);

15.1 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the
15.2 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing
15.3 rate;

15.4 (8) for program plan support, multiply the result of clause (7) by one plus the program
15.5 plan support ratio;

15.6 (9) for employee-related expenses, multiply the result of clause (8) by one plus the
15.7 employee-related cost ratio;

15.8 (10) for client programming and supports, multiply the result of clause (9) by one plus
15.9 the client programming and support ratio;

15.10 (11) for program facility costs, add \$19.30 per week with consideration of staffing ratios
15.11 to meet individual needs, updated as specified in subdivision 5b;

15.12 (12) this is the subtotal rate;

15.13 (13) sum the standard general administrative rate support ratio, the program-related
15.14 expense ratio, and the absence and utilization factor ratio;

15.15 (14) divide the result of clause (12) by one minus the result of clause (13). This is the
15.16 total payment amount; and

15.17 (15) adjust the result of clause (14) by a factor to be determined by the commissioner
15.18 to adjust for regional differences in the cost of providing services.

15.19 Sec. 14. Laws 2022, chapter 33, section 1, subdivision 7c, is amended to read:

15.20 Subd. 7c. **Prevocational services; component values and calculation of payment**
15.21 **rates.** (a) Component values for prevocational services are:

15.22 (1) competitive workforce factor: 4.7 percent;

15.23 (2) supervisory span of control ratio: 11 percent;

15.24 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

15.25 (4) employee-related cost ratio: 23.6 percent;

15.26 (5) program plan support ratio: 5.6 percent;

15.27 (6) client programming and support ratio: 10.37 percent, updated as specified in
15.28 subdivision 5b;

15.29 (7) general administrative support ratio: 13.25 percent;

15.30 (8) program-related expense ratio: 1.8 percent; and

- 16.1 (9) absence and utilization factor ratio: 9.4 percent.
- 16.2 (b) A unit of service for prevocational services is either a day or 15 minutes. A day unit
16.3 of service is six or more hours of time spent providing direct service.
- 16.4 (c) Payments for prevocational services must be calculated as follows:
- 16.5 (1) determine the number of units of service and the staffing ratio to meet a recipient's
16.6 needs;
- 16.7 (2) determine the appropriate hourly staff wage rates derived by the commissioner as
16.8 provided in subdivisions 5 and 5a;
- 16.9 (3) except for subdivision 5a, clauses ~~(1)~~ (2) to (4), multiply the result of clause (2) by
16.10 the product of one plus the competitive workforce factor;
- 16.11 (4) for a recipient requiring customization for deaf and hard-of-hearing language
16.12 accessibility under subdivision 12, add the customization rate provided in subdivision 12
16.13 to the result of clause (3);
- 16.14 (5) multiply the number of day program direct staffing hours and nursing hours by the
16.15 appropriate staff wage;
- 16.16 (6) multiply the number of day program direct staffing hours by the product of the
16.17 supervisory span of control ratio and the appropriate supervisory staff wage as calculated
16.18 ~~in subdivision 5a~~, clause ~~(1)~~ (3);
- 16.19 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the
16.20 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing
16.21 rate;
- 16.22 (8) for program plan support, multiply the result of clause (7) by one plus the program
16.23 plan support ratio;
- 16.24 (9) for employee-related expenses, multiply the result of clause (8) by one plus the
16.25 employee-related cost ratio;
- 16.26 (10) for client programming and supports, multiply the result of clause (9) by one plus
16.27 the client programming and support ratio;
- 16.28 (11) for program facility costs, add \$19.30 per week with consideration of staffing ratios
16.29 to meet individual needs, updated as specified in subdivision 5b;
- 16.30 (12) this is the subtotal rate;

17.1 (13) sum the standard general administrative rate support ratio, the program-related
17.2 expense ratio, and the absence and utilization factor ratio;

17.3 (14) divide the result of clause (12) by one minus the result of clause (13). This is the
17.4 total payment amount; and

17.5 (15) adjust the result of clause (14) by a factor to be determined by the commissioner
17.6 to adjust for regional differences in the cost of providing services.

17.7 Sec. 15. Laws 2022, chapter 33, section 1, subdivision 9a, is amended to read:

17.8 Subd. 9a. **Respite services; component values and calculation of payment rates.** (a)

17.9 For the purposes of this section, respite services include respite services provided to an
17.10 individual outside of any service plan for a day program or residential support service.

17.11 (b) Component values for respite services are:

17.12 (1) competitive workforce factor: 4.7 percent;

17.13 (2) supervisory span of control ratio: 11 percent;

17.14 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

17.15 (4) employee-related cost ratio: 23.6 percent;

17.16 (5) general administrative support ratio: 13.25 percent;

17.17 (6) program-related expense ratio: 2.9 percent; and

17.18 (7) absence and utilization factor ratio: 3.9 percent.

17.19 (c) A unit of service for respite services is 15 minutes.

17.20 (d) Payments for respite services must be calculated as follows unless the service is
17.21 reimbursed separately as part of a residential support services or day program payment rate:

17.22 (1) determine the number of units of service to meet an individual's needs;

17.23 (2) determine the appropriate hourly staff wage rates derived by the commissioner as
17.24 provided in subdivisions 5 and 5a;

17.25 (3) except for subdivision 5a, clauses ~~(1)~~ (2) to (4), multiply the result of clause (2) by
17.26 the product of one plus the competitive workforce factor;

17.27 (4) for a recipient requiring deaf and hard-of-hearing customization under subdivision
17.28 12, add the customization rate provided in subdivision 12 to the result of clause (3);

17.29 (5) multiply the number of direct staffing hours by the appropriate staff wage;

18.1 (6) multiply the number of direct staffing hours by the product of the supervisory span
18.2 of control ratio and the appropriate supervisory staff wage as calculated in subdivision 5a,
18.3 ~~clause (4)~~ (3);

18.4 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the
18.5 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing
18.6 rate;

18.7 (8) for employee-related expenses, multiply the result of clause (7) by one plus the
18.8 employee-related cost ratio;

18.9 (9) this is the subtotal rate;

18.10 (10) sum the standard general administrative support ratio, the program-related expense
18.11 ratio, and the absence and utilization factor ratio;

18.12 (11) divide the result of clause (9) by one minus the result of clause (10). This is the
18.13 total payment amount;

18.14 (12) for respite services provided in a shared manner, divide the total payment amount
18.15 in clause (11) by the number of service recipients, not to exceed three; and

18.16 (13) adjust the result of clause (12) by a factor to be determined by the commissioner
18.17 to adjust for regional differences in the cost of providing services.

18.18 Sec. 16. Laws 2022, chapter 33, section 1, subdivision 10c, is amended to read:

18.19 Subd. 10c. **Reporting and analysis of competitive workforce factor.** (a) Beginning
18.20 February 1, ~~2021~~ 2024, and every two years thereafter, the commissioner shall report to the
18.21 chairs and ranking minority members of the legislative committees and divisions with
18.22 jurisdiction over health and human services policy and finance an analysis of the competitive
18.23 workforce factor.

18.24 (b) The report must include ~~recommendations to update the competitive workforce factor~~
18.25 ~~using:~~

18.26 (1) the most recently available wage data by SOC code for the weighted average wage
18.27 for direct care staff for residential services and direct care staff for day services;

18.28 (2) the most recently available wage data by SOC code of the weighted average wage
18.29 of comparable occupations; and

18.30 (3) workforce data as required under subdivision 10b.

19.1 ~~(e) The commissioner shall not recommend an increase or decrease of the competitive~~
19.2 ~~workforce factor from the current value by more than two percentage points. If, after a~~
19.3 ~~biennial analysis for the next report, the competitive workforce factor is less than or equal~~
19.4 ~~to zero, the commissioner shall recommend a competitive workforce factor of zero.~~

19.5 Sec. 17. EFFECTIVE DATE.

19.6 Sections 1 to 16 are effective July 1, 2022, or upon federal approval, whichever is later.
19.7 The commissioner of human services shall notify the revisor of statutes when federal approval
19.8 is obtained."

19.9 Amend the title accordingly