

**Subject** Department of Human Services Supplemental Budget Bill

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## Overview

This bill contains the governor’s recommendations for the human services supplemental budget and contains provisions relating to aging and disability services, substance use disorder services, direct care and treatment, establishing Direct Care and Treatment as an agency, the human services contingency account, technical corrections, and appropriations.

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## Article 1: Aging and Disability Services

This article makes changes to aging and disability services provisions relating to MnCHOICES assessor qualifications and assessments, alternative care covered services, and elderly waiver rate adjustments and exceptions. This article also directs the commissioner of human services to develop an MA hospital transition benefit, design a Tribal-specific vulnerable adults and developmental disability MA targeted case management benefit, seek federal approval to reimburse for delivery of unit-based services under DWRS in acute care hospital settings, and study Minnesota's existing HCBS system for older adults and evaluate options to meet the needs of older adults with high support needs that cannot be addressed by services or individual participant budgets available under the elderly waiver.

### Section Description - Article 1: Aging and Disability Services

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- 1 MnCHOICES assessor qualifications, training, and certification.**  
Amends § 256B.0911, subd. 13. Modifies MnCHOICES certified assessor requirements by removing a requirement that an assessor have at least two years of home and community-based experience.  
  
Provides a July 1, 2024, effective date.
- 2 MnCHOICES assessments; duration of validity.**  
Amends § 256B.0911, subd. 20. Extends the validity of certain MnCHOICES assessments to establish service eligibility to 365 days after the date of the assessment. Currently, these assessments are valid for 60 days after the date of assessment.  
  
Provides a July 1, 2024, effective date.
- 3 Services covered under alternative care.**  
Amends § 256B.0913, subd. 5. Includes transitional services in the list of covered services under the alternative care program.
- 4 Services; service definitions; service standards.**  
Amends § 256B.0913, subd. 5a. Makes a conforming change to the alternative care program related to covering transitional services.
- 5 Elderly waiver budget and rate exceptions; high-need participants.**  
Creates § 256S.191.  
  
**Subd. 1. Eligibility for budget and rate exceptions.** Lists circumstances under which a participant is eligible to request an elderly waiver budget and rate exception.

**Section Description - Article 1: Aging and Disability Services**

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**Subd. 2. Requests for budget and rate exceptions.** Allows a participant to be eligible to request an elderly waiver budget and rate exception when requesting an eligibility determination for elderly waiver services. Allows a participant to request an exception to the elderly waiver case mix caps, the customized living service rate limits, service rates, or any combination of the three. Lists other requirements a participant must meet when requesting a budget or rate exception. Requires the commissioner to respond to all exception requests and to include in the response the basis for the action and notification of the right to appeal. Requires participants who are granted exceptions to apply annually to continue or modify the exception. Disqualifies participants for exceptions when the participant's needs can be met within standard elderly waiver budgets and rates.

**6 Rate adjustment application.**

Amends § 256S.205, subd. 2. Modifies the statute governing disproportionate share facilities under the elderly waiver by retroactively sunseting submission of new applications effective September 30, 2023. Retroactively prohibits the commissioner from processing any further applications for disproportionate share facilities effective October 1, 2023. Provides an expiration date of January 1, 2025, for this subdivision.

**7 Rate adjustment eligibility criteria.**

Amends § 256S.205, subd. 3. Retroactively sunsets eligibility for a disproportionate share facility rate adjustment effective September 30, 2023. Provides an expiration date of January 1, 2025, for this subdivision.

**8 Rate adjustment; rate floor.**

Amends § 256S.205, subd. 5. Sunsets the rate floor established for 24-hour customized living services provided to an elderly waiver participant in a designated disproportionate share facility effective December 31, 2024. Provides an expiration date of January 1, 2025, for this subdivision.

**9 Disability home and community-based services reimbursement in acute care hospital stays.**

Requires the commissioner of human services to seek approval to amend the MA disability waiver plans to reimburse for delivery of unit-based services under DWRS in acute care hospital settings. Lists requirements reimbursed services must meet.

Makes the list of requirements services must meet effective January 1, 2025, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

**Section Description - Article 1: Aging and Disability Services**

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- 10      **Home care and community first services and supports hospital transition medical assistance benefit.**  
Requires the commissioner of human services to develop a Medicaid state plan service for people eligible for MA home care services and CFSS for the purpose of transition support to and from acute care hospital settings. By January 1, 2025, requires the commissioner to report to the legislative committees with jurisdiction over health and human services finance and policy with the recommended MA service design and draft legislation with statutory changes necessary to implement the service.  
  
Provides a July 1, 2024, effective date.
- 11      **Tribal vulnerable adult and developmental disability targeted case management MA benefit.**  
Requires the commissioner of human services to engage with Minnesota’s federally recognized Tribal Nations and urban American Indian providers and leaders to design and recommend a Tribal-specific vulnerable adult and developmental disability MA targeted case management benefit to meet community needs and reduce disparities experienced by Tribal members and urban American Indian populations. Requires the commissioner to honor and uphold Tribal sovereignty as part of this engagement. By January 1, 2025, requires the commissioner to report recommendations to the legislative committees with jurisdiction over health and human services finance and policy. Requires recommendations to include a description of engagement with Tribal Nations, Tribal perspectives, service design, and reimbursement methodology.  
  
Provides a July 1, 2024, effective date.
- 12      **Direction to commissioner; home and community-based services system reform analysis.**  
Requires the commissioner of human services to study Minnesota’s existing HCBS system for older adults and evaluate options to meet the needs of older adults with high support needs that cannot be addressed by services or individual participant budgets available under the elderly waiver. Requires the commissioner to propose reforms to the HCBS system that meet specified goals. Requires the commissioner to submit a report with recommendations to meet the specified goals to the legislative committees with jurisdiction over human services finance and policy by December 31, 2025.
- 13      **Repealer.**  
Repeals Minn. Stat. § 256S.205, subd. 4 (designation as a disproportionate share facility), effective the day following final enactment.

## Article 2: Substance Use Disorder Services

This article makes changes to the Opiate Epidemic Response Advisory Council membership, expands uses of opiate epidemic response fund appropriations, and establishes an MA reentry demonstration.

### Section Description - Article 2: Substance Use Disorder Services

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**1 Membership.**

Amends § 256.042, subd. 2. Modifies membership of the Opiate Epidemic Response Advisory Council by adding the director of the Office of Addiction and Recovery, or a designee, as an ex officio nonvoting member of the council.

Provides an immediate effective date.

**2 Appropriation from registration and license fee account.**

Amends § 256.043, subd. 3. Expands uses of opiate epidemic response fund appropriations related to child protection services to include prevention. Modifies the distribution of funds to county social services agencies and Tribal social service agency initiative projects that are used for child protection services.

**3 Reentry Demonstration Waiver.**

Creates § 256B.0761.

**Subd. 1. Establishment.** Requires the commissioner to submit a waiver application to CMS to implement an MA demonstration project to provide health care and coordination services that bridge to community-based services for individuals confined in state, local, or Tribal correctional facilities prior to community reentry. Specifies requirements the demonstration must be designed to meet.

**Subd. 2. Eligible individuals.** Lists eligibility criteria to receive services under this demonstration.

**Subd. 3. Eligible correctional facilities.** Limits the waiver application to certain correctional facilities. Allows additional facilities to be added contingent on legislative authorization and appropriations.

**Subd. 4. Services and duration.** Requires services to be provided 90 days prior to an individual's release date or, if an individual's confinement is less than 90 days, during the time period between the MA eligibility determination and release to the community. Lists the services that facilities must offer using either community-based or corrections-based providers. Limits service authorization to demonstrated medical necessity or other eligibility as required under the chapter of statutes governing MA or applicable state and federal laws.

**Section Description - Article 2: Substance Use Disorder Services**

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**Subd. 5. Provider requirements and standards.** Requires service providers to: (1) adhere to applicable licensing and provider requirements under chapters of statutes governing human services licensing, SUD licensed treatment facilities, the Mental Health Uniform Service Standards Act, SUD treatment, medical assistance, and housing support; and (2) be enrolled to provide services under Minnesota health care programs. Allows services to be provided by eligible providers employed by the correctional facility or by eligible community providers under contract with the correctional facility. Requires the commissioner to determine whether each facility is ready to participate in this demonstration based on a facility-submitted assessment of the facility's readiness to implement specified activities. Requires participating facilities to detail reinvestment plans for all new federal Medicaid funds expended for reentry services that were previously the responsibility of each facility and provide detailed financial reports to the commissioner.

**Subd. 6. Payment rates.** Makes payment rates for services approved under the demonstration equal to current and applicable state law and federal requirements. Makes case management payment rates equal to MA relocation targeted case management payment rates. Specifies payment rates for covered drugs and billing and submission requirements for drugs. Allows providers to establish written protocols for establishing or calculating the facility's actual acquisition drug cost based on a monthly, quarterly, or other average of the facility's actual acquisition drug cost through the discount purchasing program. Prohibits a written protocol from including an inflation, markup, spread, or margin to be added to the provider's actual purchase price after subtracting all discounts.

**Subd. 7. Reentry services work group.** Requires the commissioner of human services to convene a reentry services work group to consider ways to improve the demonstration under this section and related policies for justice-involved individuals. Specifies the individuals and organizations that must be represented on the work group. Lists the duties of the work group.

Provides a January 1, 2026, effective date, or upon federal approval, whichever is later.

**4 Limitation of choice.**

Amends § 256B.69, subd. 4. Exempts persons enrolled in the reentry demonstration waiver from participating in managed care.

**Section Description - Article 2: Substance Use Disorder Services**

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**5 Capacity-building and implementation grants for the MA reentry demonstration.**

Requires the commissioner of human services to establish capacity-building grants for eligible correctional facilities as they prepare to implement reentry demonstration services. Lists allowable expenditures under the grant.

Provides a July 1, 2024, effective date.

**6 1115 waiver for MA reentry demonstration.**

Requires the commissioner of human services to submit an application to the federal government to implement an MA reentry demonstration that covers services for incarcerated individuals. Makes coverage of prerelease services contingent on federal approval of the demonstration and the required implementation and reinvestment plans.

Provides a July 1, 2024, effective date.

## **Article 3: Direct Care and Treatment**

This article establishes the Mentally Ill and Dangerous Civil Commitment Reform Task Force.

**Section Description - Article 3: Direct Care and Treatment**

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**1 Mentally Ill and Dangerous Civil Commitment Reform Task Force.**

Establishes the Mentally Ill and Dangerous Civil Commitment Reform Task Force.

**Subd. 1. Establishment; purpose.** Establishes the Mentally Ill and Dangerous Civil Commitment Reform Task Force to evaluate current statutes related to mentally ill and dangerous civil commitments and develop recommendations to optimize the use of state-operated mental health resources and increase equitable access and outcomes for patients.

**Subd. 2. Membership.** Lists the membership of the Mentally Ill and Dangerous Civil Commitment Reform Task Force. Prohibits members of the legislature from serving on the task force. Requires appointments to the task force to be made by July 30, 2024.

**Subd. 3. Compensation; removal; vacancy.** Allows members of the task force to be compensated according to the statute governing advisory councils and committees. Allows members to be removed by the appointing authority at any time at the pleasure of the appointing authority. In the case of a vacancy on the

**Section Description - Article 3: Direct Care and Treatment**

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task force, requires the appointing authority to appoint an individual to fill a vacancy for the remainder of the unexpired term.

**Subd. 4. Officers; meetings.** Requires the commissioner of human services to convene the first meeting of the task force no later than September 1, 2024. Requires the task force to elect a chair and vice-chair from among its members and makes the task force subject to the Minnesota Open Meeting Law.

**Subd. 5. Staff.** Requires the commissioner of human services to provide staff assistance to support the work of the task force.

**Subd. 6. Data usage and privacy.** Specifies any data provided by executive agencies as part of the work of the task force is subject to the chapter of statutes governing government data practices and all other applicable data privacy laws.

**Subd. 7. Duties.** Lists the duties of the task force.

**Subd. 8. Report required.** By August 1, 2025, requires the task force to submit to the legislative committees with jurisdiction over mentally ill and dangerous civil commitments a written report that includes the outcome of the duties of the task force, including but not limited to recommended statutory changes.

**Subd. 9. Expiration.** Makes the task force expire January 1, 2026.

Provides an immediate effective date.

## **Article 4: Direct Care and Treatment Agency**

This article establishes the Direct Care and Treatment Agency and the powers and duties of the DCT executive board and chief executive officer.

**Section Description - Article 4: Direct Care and Treatment Agency**

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**1 Definitions.**

Amends § 10.65, subd. 2. Adds Direct Care and Treatment to the definition of “agency” in the section of statutes governing government-to-government relationships with Tribal governments.

Provides a July 1, 2024, effective date.



**Section Description - Article 4: Direct Care and Treatment Agency**

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**2 Definitions.**

Amends § 13.46, subd. 1. Adds Direct Care and Treatment to the definition of “welfare system” in the chapter of statutes governing government data practices.

Provides a July 1, 2024, effective date.

**3 General.**

Amends § 13.46, subd. 2. Allows Direct Care and Treatment to share private data on individuals with the Departments of Human Services, Employment and Economic Development, and Education for specified purposes.

Provides a July 1, 2024, effective date.

**4 Responsible authority.**

Amends § 13.46, subd. 10. Modifies the list of responsible authorities for each component of the welfare system to include the chief executive officer of Direct Care and Treatment and remove authority from the commissioner of human services for activities being transferred to DCT.

Provides a July 1, 2024, effective date.

**5 Departments of the state.**

Amends § 15.01. Removes the Department of Direct Care and Treatment from the list of departments of the state government.

Provides a July 1, 2024, effective date.

**6 Applicability.**

Amends § 15.06, subd. 1. Makes conforming changes.

Provides a July 1, 2024, effective date.

**7 Creation.**

Amends § 15A.082, subd. 1. Requires the Compensation Council to determine the daily compensation for voting members of the DCT executive board.

**8 Submission of recommendations and determination.**

Amends § 15A.082, subd. 3. Requires the Compensation Council to prescribe daily compensation for voting members of the DCT executive board by April 1 in each odd-numbered year. Specifies when the recommended daily compensation takes effect.

**Section Description - Article 4: Direct Care and Treatment Agency**

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- 9        **No ex parte communications.**  
Amends § 15A.082, subd. 7. Makes conforming changes related to the determination of daily compensation for DCT executive board voting members.
- 10       **Unclassified positions.**  
Amends § 43A.08, subd. 1. Makes conforming changes related to the creation of the chief executive officer of DCT.  
  
Provides a July 1, 2024, effective date.
- 11       **Additional unclassified positions.**  
Amends § 43A.08, subd. 1a. Makes a conforming change.  
  
Provides a July 1, 2024, effective date.
- 12       **Review organization.**  
Amends § 145.61, subd. 5. Adds DCT to the definition of “review organization” in the chapter of statutes governing public health organizations.  
  
Provides a July 1, 2024, effective date.
- 13       **Duties.**  
Amends § 246.018, subd. 3. Makes conforming changes related to the establishment of the DCT executive board and chief executive officer.  
  
Provides a July 1, 2024, effective date.
- 14       **Definitions; risk assessment and management.**  
Amends § 246.13, subd. 2. Makes conforming changes related to the establishment of the DCT executive board and the transfer of authority for state-operated services from DHS to DCT.  
  
Provides a July 1, 2024, effective date.
- 15       **Title.**  
Amends § 246C.01. Makes a conforming change to the name of the new DCT agency.  
  
Provides a July 1, 2024, effective date.
- 16       **Definitions.**  
Creates § 246C.015.

**Section Description - Article 4: Direct Care and Treatment Agency**

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**Subd. 1. Scope.** Specifies the following terms have the meanings given for purposes of this chapter of statutes.

**Subd. 2. Board or executive board.** Defines “board” or “executive board” in the chapter of statutes governing DCT.

**Subd. 3. Chief executive officer.** Defines “chief executive officer” in the chapter of statutes governing DCT.

**Subd. 4. Community preparation services.** Defines “community preparation services” in the chapter of statutes governing DCT.

**Subd. 5. Direct Care and Treatment.** Defines “Direct Care and Treatment” in the chapter of statutes governing DCT.

**Subd. 6. Secure treatment facility.** Defines “secure treatment facility” in the chapter of statutes governing DCT.

Provides a July 1, 2024, effective date.

**17 Direct Care and Treatment; Establishment.**

Amends § 246C.02. Makes technical and conforming changes.

Provides a July 1, 2024, effective date.

**18 Transfer of duties.**

Amends § 246C.04. Makes technical and conforming changes. Removes language related to the initial salary for the DCT chief executive officer. Requires the commissioner of human services to continue to exercise all authorities and responsibilities for state-operated services, programs, and facilities subject to transfer to DCT until July 1, 2025. Effective July 1, 2025, the powers and duties vested in or imposed upon the commissioner of human services related to any state-operated service, program, or facility are transferred to the DCT executive board. Requires the commissioner of human services to continue to exercise all authority and responsibility for and retain custody of persons subject to civil commitment until July 1, 2025. Effective July 1, 2025, custody of persons subject to civil commitment and in the custody of the commissioner of human services as of that date is transferred to the DCT executive board. Transfers authority and responsibility for the commitment of such persons to the DCT executive board on July 1, 2025.

Provides a July 1, 2024, effective date.

**Section Description - Article 4: Direct Care and Treatment Agency**

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**19 Employee protections for establishing DCT.**

Amends § 246C.05. Makes technical and conforming changes.

Provides a July 1, 2024, effective date.

**20 Executive board; membership; governance.**

Creates § 246C.06.

**Subd. 1. Establishment.** Establishes the DCT executive board.

**Subd. 2. Membership.** Specifies the DCT executive board consists of nine members with seven voting members and two nonvoting members. Specifies the seven voting members must include six members appointed by the governor and the commissioner of human services. Specifies the two nonvoting members must include one member appointed by the Association of Minnesota Counties and one member who has an active role as a union representative representing staff at DCT. Lists the qualifications the voting members appointed by the governor must meet. Requires membership on the board to include representation from outside the seven-county metro area. Prohibits voting members of the executive board from being an employee of DCT; an employee of a county, including a county commissioner; an active employee or representative of a labor union that represents employees of DCT; or a member of the state legislature.

**Subd. 3. Procedures.** Except as otherwise provided, makes the membership terms, compensation, and removal and filling of vacancies for the executive board governed by the section of statutes governing administrative boards and agencies.

**Subd. 4. Compensation.** Prohibits the nonvoting members of the executive board from receiving daily compensation for executive board activities. Allows voting and nonvoting members of the executive board to receive expenses in the same manner and amount as authorized by the commissioner's adopted plan under the section of statutes governing total compensation and collective bargaining agreements. Allows voting and nonvoting members who, as a result of time spent attending board meetings, incur child care expenses that would not otherwise have been incurred to be reimbursed for those expenses upon board authorization. Requires the Compensation Council to determine the compensation for voting members of the executive board per day spent on executive board activities authorized by the board. Requires the commissioner of management and budget to publish the daily compensation rate for voting members of the executive board on the Department of Management and Budget website. Requires voting members of the board to adopt internal standards

**Section Description - Article 4: Direct Care and Treatment Agency**

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prescribing what constitutes a day spent on board activities for the purposes of receiving payment.

**Subd. 5. Acting chair; officers.** Requires the governor to designate one member from the voting membership appointed by the governor as acting chair of the executive board. Requires the executive board to elect a chair from among the voting membership appointed by the governor at the first meeting of the board. Requires the board to annually elect a chair from among the voting membership appointed by the governor. Requires the board to elect officers from among the voting membership appointed by the governor and requires elected officers to serve for one year.

**Subd. 6. Terms.** Specifies terms and term limits for executive board members. Requires the commissioner of human services to serve until replaced by the governor. Allows an executive board member to resign at any time by giving written notice to the executive board.

**Subd. 7. Conflicts of interest.** Requires board members to recuse themselves from discussion of and voting on an official matter if the board member has a conflict of interest. Describes conflict of interest.

**Subd. 8. Meetings.** Requires the executive board to meet at least four times per fiscal year at a place and time determined by the executive board.

**Subd. 9. Quorum.** Specifies a majority of the voting members of the executive board constitutes a quorum. Specifies the affirmative vote of a majority of the voting members of the executive board is necessary and sufficient for action taken by the executive board.

**Subd. 10. Immunity; indemnification.** Makes members of the board immune from civil liability for any act or omission occurring within the scope of performance of their duties. Makes members of the board employees of the state for purposes of indemnification when performing executive board duties or actions.

**Subd. 11. Rulemaking.** Authorizes the executive board to adopt, amend, and repeal rules under the executive board's authority to implement any responsibilities of DCT specified in state law. Allows the executive board to adopt rules using the expedited rulemaking process until July 1, 2030. Continues in effect all orders, rules, delegations, permits, and other privileges issued or granted by DHS with respect to any function of DCT and in effect at the time of the establishment of DCT.

Provides a July 1, 2024, effective date.

**Section Description - Article 4: Direct Care and Treatment Agency**

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**21 Powers and duties of the executive board.**

Creates § 246C.07.

**Subd. 1. Generally.** Lays out the general powers and duties of the DCT executive board.

**Subd. 2. Principles.** Lists the principles under which the executive board shall act in undertaking its duties and responsibilities.

**Subd. 3. Powers and duties.** Lists the specific powers and duties of the DCT executive board.

**Subd. 4. Creation of bylaws.** Allows the board to establish bylaws governing its operations and the operations of DCT in accordance with the chapter governing DCT.

**Subd. 5. Reciprocal exchange of certain persons.** Authorizes and empowers the executive board with the approval of the governor to enter into reciprocal agreements with another state or states regarding the mutual exchange, return, and transportation of persons with a mental illness or a developmental disability who are within the confines of one state but have legal residence or legal settlement in another state. Prohibits any agreement entered into from containing any provision that conflicts with any state law.

**Subd. 6. Acceptance of voluntary, uncompensated services.** Allows the executive board to accept uncompensated and voluntary services and to enter into contract or agreements with private or public agencies, organizations, or persons for uncompensated and voluntary services. Specifies uncompensated and voluntary services do not include services mandated by licensure or certification requirements for health care facilities. Exempts volunteer agencies, organizations, or persons who provide services to residents of state facilities operated under the authority of DCT from state procurement requirements.

Provides a July 1, 2024, effective date.

**22 Chief executive officer; service; duties.**

Creates § 246C.08.

**Subd. 1. Service.** States that the DCT chief executive officer: (1) is appointed by the executive board and serves at the pleasure of the board; (2) serves in the unclassified service and is governed by a compensation plan prepared by the executive board, submitted to the commissioner of management and budget, and approved by the Legislative Coordinating Commission.

**Section Description - Article 4: Direct Care and Treatment Agency**

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**Subd. 2. Powers and duties.** Lays out the powers and duties of the DCT chief executive officer, including the administrative and operational management of the agency. In the event of a vacancy within the chief executive officer position, requires the chief medical officer to immediately become the temporary chief executive officer until the board appoints a new chief executive officer.

Provides a July 1, 2024, effective date.

23 **DCT accounts.**

Creates § 246C.09.

**Subd. 1. Gifts, grants, and contributions account.** Creates a gifts, grants, and contributions account in the special revenue fund of the state treasury. Beginning July 1, 2025, annually appropriates money in the account to the DCT executive board to accomplish the purposes of the chapter of statutes governing DCT. Requires gifts, grants, and contributions received by the board exceeding current agency needs to be invested by the State Board of Investment. Requires disbursements from the account to be made in the manner provided for the issuance of other state payments. Specifies how contributions designated for a certain person, institution, or purpose are treated.

**Subd. 2. Facilities management account.** Creates a facilities management account in the special revenue fund of the state treasury. Beginning July 1, 2025, appropriates money in the account to the DCT executive board and allows funds to be used to maintain buildings, acquire facilities, renovate existing buildings, or acquire land for the design and construction of buildings for DCT use. Allows money received for maintaining state property under control of the executive board to be deposited into this account.

**Subd. 3. DCT systems account.** Creates a DCT systems account in the special revenue fund of the state treasury. Beginning July 1, 2025, appropriates money in the account to the DCT executive board to be used for security systems and information technology projects, services, and support under control of the board. Requires the commissioner of human services to transfer all money allocated to DCT systems projects to the DCT systems account by June 30, 2026.

**Subd. 4. Cemetery maintenance account.** Creates the cemetery maintenance account in the special revenue fund of the state treasury. Appropriates money in the account to the executive board for the maintenance of cemeteries under control of the board. Allows money allocated to DCT cemeteries to be transferred to this account.

Provides a July 1, 2024, effective date.

**Section Description - Article 4: Direct Care and Treatment Agency**

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**24 Social welfare fund established.**

Amends § 256.88. Makes a conforming change related to the establishment of DCT as an agency.

Provides a July 1, 2024, effective date.

**25 Fund deposited in state treasury.**

Amends § 256.89. Makes conforming changes to the social welfare fund related to the establishment of DCT.

Provides a July 1, 2024, effective date.

**26 Social welfare fund; use; disposition; depositories.**

Amends § 256.90. Makes conforming changes to the social welfare fund related to the establishment of DCT.

Provides a July 1, 2024, effective date.

**27 Purposes.**

Amends § 256.91. Allows the DCT executive board to make payments from the social welfare fund.

Provides a July 1, 2024, effective date.

**28 Commissioner of human services and DCT, accounts.**

Amends § 256.92. Makes conforming changes related to the establishment of DCT.

Provides a July 1, 2024, effective date.

**29 Effective date.**

Amends Laws 2023, ch. 61, art. 8, § 1, the effective date. Modifies an effective date related to the establishment of DCT by making the effective date July 1, 2024, rather than January 1, 2025.

**30 Effective date.**

Amends Laws 2023, ch. 61, art. 8, § 2, the effective date. Modifies an effective date related to the establishment of DCT by making the effective date July 1, 2024, rather than January 1, 2025.



**Section Description - Article 4: Direct Care and Treatment Agency**

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**31 Effective date.**

Amends Laws 2023, ch. 61, art. 8, § 3, the effective date. Modifies an effective date related to the establishment of DCT by making the effective date July 1, 2024, rather than January 1, 2025.

**32 Effective date.**

Amends Laws 2023, ch. 61, art. 8, § 8, the effective date. Modifies an effective date related to the establishment of DCT by making the effective date July 1, 2024, rather than January 1, 2025.

**33 Initial appointments and compensation of the Direct Care and Treatment executive board and chief executive officer.**

This section specifies requirements related to the initial appointments and compensation of the executive board and chief executive officer.

**Subd. 1. Executive board.** Requires the initial appointments of the members of the DCT executive board to be made by January 1, 2025. Specifies the daily compensation rate for voting members of the board prior to the first Compensation Council determination of the daily compensation rate. Exempts the board from the Open Meeting Law until the authority and responsibilities for DCT are transferred to the board.

**Subd. 2. Chief executive officer.** Specifies the initial appointment of the chief executive officer of DCT. Prohibits the salary of the initial chief executive officer from being less than the amount paid to the chief executive officer of the Direct Care and Treatment Division of DHS as of the date of the initial appointment.

**Subd. 3. Commissioner of human services to consult.** Requires the commissioner of human services to consult with the DCT executive board before submitting budget estimates or legislative proposals for the Direct Care and Treatment Division for the 2026-2027 biennial budget and any legislative proposals for the 2025 legislative session that involve direct care and treatment operations. Specifies the process for submission if the executive board is not appointed by the date the budget estimates must be provided to the commissioner of management and budget.

Provides a July 1, 2024, effective date.

**34 Repealer.**

Repeals Minn. Stat. § 246.01 (powers and duties), 246.12 (biennial estimates; suggestions for legislation), 246.234 (reciprocal exchange of certain persons), 246.36 (acceptance of voluntary, uncompensated services), 246.41 (benefit for persons with

**Section Description - Article 4: Direct Care and Treatment Agency**

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developmental disabilities), and 246C.03 (transition of authority; development of a board), effective July 1, 2024.

## **Article 5: Human Services Contingency**

This article establishes the human services response contingency account.

**Section Description - Article 5: Human Services Contingency**

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**1 Human Services Response Contingency Account.**

Creates § 256.044.

**Subd. 1. Human services response contingency account.** Creates a human services response contingency account in the special revenue fund of the state treasury. States that money in the account does not cancel and is appropriated to the commissioner of human services for the purposes specified in this section.

**Subd. 2. Definition.** Defines “human services response” for purposes of this section.

**Subd. 3. Use of money.** Allows the commissioner to make expenditures from the human services response contingency account to respond to needs related to supporting the health, welfare, or safety of people and for which no other funding or insufficient funding is available. Lists the items and activities for which the commissioner may make expenditures from the human services response contingency account. Allows the commissioner to transfer money to the Department of Children, Youth, and Families for eligible uses. Specifies money expended out of the human services response contingency account is not subject to the requirements of the chapters of statutes governing the Department of Management and Budget, the Department of Administration, and state procurement. Allows money to be distributed as direct payments.

## **Article 6: Technical Corrections**

This article makes technical corrections to the financially distressed nursing facility loan program and the rate methodology for SUD treatment services with medications for opioid use disorder.

**Section Description - Article 6: Technical Corrections**

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**1 Carryforward.**

Amends § 256R.55, subd. 9. Corrects the carryforward authority end date for the financially distressed nursing facility loan program appropriation.

**2 Effective date.**

Amends Laws 2023, ch. 61, art. 4, § 11, the effective date. Corrects the effective date of a provision related to the rate methodology for SUD treatment services with medications for opioid use disorder.

## **Article 7: Appropriations**

This article: (1) appropriates money for various human services programs related to aging and disability services, SUD services, DCT, and the human services response contingency account; (2) makes technical corrections to 2023 appropriations; and (3) provides for reductions in human services appropriations, cancellations, and reappropriations.



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