

Chapter 61

2023 Regular Session

Subject Human Services Finance Bill

Bill S.F. 2934

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Overview

This act is the Human Services Finance bill, which modifies provisions related to disability services, aging services, health care, behavioral health, opioid epidemic response and overdose prevention, the opioid prescribing improvement program, direct care and treatment, licensing, and appropriations.

Article 1: Disability Services

This article includes provisions to: promote competitive employment for persons with disabilities, include life sharing services under the MA disability waivers, establish provider capacity grants for underserved communities, establish grants supporting new Americans in the long-term care workforce, establish LTSS workforce incentive grants, modify alternate overnight supervision in community residential settings, modify the disability waiver rate system (DWRS), provide for a ICF/DD rate adjustment, modify the PCA/CFSS payment rate methodology, allow PCAs to drive clients, allow for remote supervision of certain PCA services,

ratify the self-directed worker contract, and provide various directions to the commissioner of human services.

Section Description - Article 1: Disability Services

1 Home care orientation trust.

Amends § 179A.54, by adding subd. 11. Authorizes the state and the exclusive representative of individual providers of direct support services to establish a joint labor and management trust for the exclusive purpose of rendering voluntary orientation training to individual providers of direct support services who are represented by the exclusive representative. Establishes parameters for: (1) administration, management, and control of the trust by a board of trustees; (2) financial contributions made by the state to the trust; and (3) administrative, management, legal, and financial services. Authorizes the state to purchase liability insurance for members of the board of trustees appointed by the state.

2 Licensing moratorium.

Amends § 245A.03, subd. 7. Modifies the corporate foster care moratorium exception for new foster care licenses or community residential setting licenses for people receiving customized living or 24-hour customized living under certain MA waivers by expanding the exception to include people receiving services under the elderly waiver and extending the expiration of this exception.

Provides an immediate effective date.

3 Adult foster care; variance for alternate overnight supervision.

Amends § 245A.11, subd. 7. Removes obsolete language and exempts community residential settings from meeting variance requirements in order to utilize alternate overnight supervision.

Provides a January 1, 2024, effective date.

4 Alternate overnight supervision technology; adult foster care licenses.

Amends § 245A.11, subd. 7a. Makes conforming changes related to exempting community residential settings from meeting DHS licensing requirements in order to utilize alternate overnight supervision.

Provides a January 1, 2024, effective date.

5 Applicability.

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

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

6 Community residential settings; remote overnight supervision.

Creates § 245D.261. Adds a section related to remote overnight supervision in community residential settings in the chapter of statutes governing home and community-based services standards.

Subd. 1. Definitions. Defines “resident” and “technology” for purposes of a section governing remote overnight supervision in community residential settings.

Subd. 2. Documentation of permissible remote overnight supervision. Lays out requirements a community residential setting license holder must meet when providing remote overnight supervision.

Subd. 3. Provider requirements for remote overnight supervision; commissioner notification. Lists the actions a community residential setting license holder must take when providing remote overnight supervision, including: (1) using technology; and (2) clearly stating in each person’s support plan addendum that the setting is a program without the in-person presence of overnight direct support. Requires license holders to: (1) document an evaluation of the need for the physical presence of a staff member upon being notified via technology that an incident has occurred that may jeopardize the health, safety, or rights of a resident; and (2) notify the commissioner if remote overnight technology will no longer be used by the license holder. Requires the commissioner to notify the county licensing agency and update the license upon receipt of notification of use of remote overnight supervision or discontinuation of use of remote overnight supervision by a license holder.

Subd. 4. Required policies and procedures for remote overnight supervision. Lists the policies and procedures that a community residential setting license holder must have in place when providing remote overnight supervision.

Subd. 5. Consent to use of monitoring technology. Requires community residential setting license holders to obtain a signed informed consent form from each resident served by the program or the resident’s legal representative agreeing to the use of monitoring technology if that technology is used in the setting. Lists the information that must be included in the informed consent form.

Provides a January 1, 2024, effective date.

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- 7 Statewide disability employment technical assistance center.**
Creates § 252.54. Requires the commissioner of human services to establish a statewide technical assistance center to provide resources and assistance to programs, people, and families to support individuals with disabilities to achieve meaningful and competitive employment in integrated settings. Lists the duties of the technical assistance center.
- 8 Lead agency employment first capacity building grants.**
Creates § 252.55. Requires the commissioner of human services to establish a grant program to expand lead agency capacity to support people with disabilities to contemplate, explore, and maintain competitive, integrated employment options. Lists allowable uses of funds.

Provides a July 1, 2023, effective date.
- 9 Grants for supportive services to persons with HIV or AIDS.**
Amends § 256.01, subd. 19. Expands uses of HIV/AIDS grants.
- 10 Long-term services and supports workforce incentive grants.**
Creates § 256.4764. Establishes long-term services and supports workforce incentive grants to assist with recruiting and retaining direct support professionals.

Subd. 1. Grant program established. Requires the commissioner of human services to establish grants for long-term services and supports providers and facilities to assist with recruiting and retaining direct support professionals.

Subd. 2. Definitions. Defines “commissioner,” “eligible employer,” and “eligible worker” for purposes of the home and community-based workforce incentive fund grants.

Subd. 3. Allowable uses of grant funds. Lists the allowable uses of the grant funds. Limits an eligible worker to receiving up to \$1,000 per year from the workforce incentive grants. Requires the commissioner to develop a grant cycle distribution plan that allows for equitable distribution of funding among eligible employers. Specifies the commissioner’s determination of the grant awards and amounts is final and not subject to appeal.

Subd. 4. Attestation. Requires an eligible employer to attest to specified information as a condition of obtaining grant payments.

Subd. 5. Distribution plan; report. Requires a grantee that receives a grant to: (1) prepare a distribution plan that specifies the amount of money the grantee expects to receive and how that money will be distributed for recruitment and

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retention purposes; and (2) submit a report to the commissioner that includes a description of how grant funds were distributed to eligible employees and the total dollar amount distributed.

Subd. 6. Audits and recoupment. Allows the commissioner to perform an audit of these grants up to six years after a grant is awarded. Requires the commissioner to treat any grant amounts used for a purpose not authorized under this section as an overpayment and to recover any overpayment.

Subd. 7. Grants not to be considered income. Specifies grant awards must not be considered income, assets, or personal property for purposes of determining eligibility or recertifying eligibility for various public assistance and health care programs.

Subd. 8. Income tax subtractions. Defines “subtraction” for purposes of this subdivision. Specifies the amount of a grant award received under this grant program is a subtraction and excluded from income under Minnesota income tax laws.

Subd. 9. Account created. Creates a workforce incentive grant account in the special revenue fund. Allows appropriations made for this purpose to be transferred to this account. Appropriates amounts in the account to the commissioner of human services.

Subd. 10. Nursing facilities; applicable credit. Requires the commissioner to treat grant payments awarded under this section as an applicable credit under the nursing facility payments chapter of statutes.

Subd. 11. Self-directed services workforce. Specifies that payments administered under this section do not constitute a change in a term or condition for individual providers in covered programs and are not subject to the state’s obligation to meet and negotiate.

11 Technology for home grants.

Creates § 256.4773.

Subd. 1. Establishment. Requires the commissioner to establish a technology for home grant to provide assistive technology consultations and resources for people with disabilities who want to stay in their own home, move to their own home, or remain in a less restrictive setting. Allows the grant program to be administered using a team approach.

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Subd. 2. Eligible applicants. Lists conditions a person must meet in order to be eligible for the technology for home grant program.

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

Subd. 4. Data collection and outcomes. Requires grantees to provide data summaries to the commissioner to evaluate the effectiveness of the grant program. Requires the commissioner to identify outcome measures to evaluate program activities to assess whether the grant program helps people transition to or remain in the least restrictive setting.

12 Definitions.

Amends § 256B.0659, subd. 1. Specifies traveling includes driving and accompanying the recipient according to the recipient's care plan in the definition of "instrumental activities of daily living" under the PCA program. Makes technical changes to the definition of "behavior."

Provides an effective date of 90 days following federal approval. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

13 Documentation of PCA services provided.

Amends § 256B.0659, subd. 12. Modifies the list of items that must be included on the PCA time sheet to include documentation of travel including start and stop times, the origination site, and the destination site.

Provides an effective date of 90 days following federal approval. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

14 Qualified professional; remote supervision.

Amends § 256B.0659, by adding subd. 14a. For PCA recipients with chronic health conditions or severely compromised immune systems, allows a qualified professional to conduct required supervision via two-way interactive audio and visual telecommunications if the recipient's primary health care provider determines remote supervision is appropriate and documents the determination in a document included in the recipient's care plan.

Allows a care plan developed or amended via remote supervision to be executed by electronic signature.

Prohibits a PCA provider agency from conducting its first supervisory visit for a recipient and completing its initial care plan via remote visit.

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Allows a recipient to request to return to in-person supervisory visits at any time.

Makes this section effective July 1, 2023, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

15 PCA choice option; qualifications; duties.

Amends § 256B.0659, subd. 19. Modifies the duties the recipient or responsible party must perform to include ensuring that a PCA driving a recipient has a valid driver's license and the vehicle used is registered and insured according to Minnesota law.

Provides an effective date of 90 days following federal approval. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

16 PCA provider agency; general duties.

Amends § 256B.0659, subd. 24. Modifies the duties of a PCA provider agency to include ensuring that any PCA driving a recipient has a valid driver's license and that the vehicle used is registered and insured according to Minnesota law.

Provides an effective date of 90 days following federal approval. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

17 MnCHOICES assessor qualifications, training, and certification.

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

18 Case management services.

Amends § 256B.092, subd. 1a. Modifies case manager training requirements under the MA developmental disabilities waiver to increase the annual training requirement from ten to 20 hours. Requires the training to include informed choice, cultural competency, employment planning, community living planning, self-direction option, and use of technology supports. Requires case managers to document completion of training in a system identified by the commissioner of human services.

19 EIDBI provider qualifications.

Amends § 256B.0949, subd. 15. Modifies the qualifications for a level II treatment provider to include an individual certified by a Tribal Nation.

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

20 Case management.

Amends § 256B.49, subd. 13. Modifies case manager training requirements under the MA BI, CAC, and CADI waivers to increase the annual training requirement from ten to 20 hours. Requires the training to include informed choice, cultural competency, employment planning, community living planning, self-direction option, and use of technology supports. Requires case managers to document completion of training in a system identified by the commissioner of human services.

21 Informed choice in employment policy.

Amends § 256B.4905, subd. 4a. Specifies it is the policy of this state that working-age individuals who have disabilities will be offered benefits planning assistance and supports to understand available work incentive programs and to understand the impact of work on benefits.

22 Subminimum wages in home and community-based services reporting.

Creates § 256B. 4906. Requires disability waiver services providers that hold credentials that authorize the payment of subminimum wages to workers with disabilities to submit data to the commissioner on individuals who are currently being paid subminimum wages or were being paid subminimum wages by the provider organization as of August 1, 2023. Lists the data that must be submitted; requires the data to be submitted in a format determined by the commissioner; requires providers to submit the data annually on a date specified by the commissioner; specifies the data classification of individually identifiable data submitted under this section; and requires the commissioner to analyze data annually for tracking employment and community-life engagement outcomes.

23 Services provided by parents and spouses.

Amends § 256B.4911, by adding subd. 6. Paragraph (a) limits MA payments under CDCS for personal assistance services provided by a parent to the parent's minor child or by a spouse. Lists the programs to which this limit applies.

Paragraph (b) defines "parent" for purposes of this subdivision.

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

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

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

Paragraph (f) prohibits this subdivision from being construed as permitting an increase in the total authorized CDCS budget for an individual.

Makes this section effective on July 1, 2023, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

24 Direct support worker annual labor market survey.

Amends § 256B.4912, by adding subd. 1b. Requires the commissioner to develop and administer a survey of direct care staff who work for organizations that provide services under specified programs, including MA waivers, alternative care, PCA services, home health services, home care nursing, and financial management services. Specifies the information the survey must collect. Defines “direct care staff.” Requires the commissioner to analyze data submitted under this section annually to assess the overall economic viability and well-being of the workforce and the impact of the state of workforce on access to services. Specifies individually identifiable data submitted to the commissioner are considered private data on individuals under the Government Data Practices Act.

25 Annual labor market report.

Amends § 256B.4912, by adding subd. 1c. Requires the commissioner to publish annual reports on provider and state-level labor market data.

26 Rates established by the commissioner.

Amends § 256B.492, by adding subd. 16. Requires the commissioner to establish homemaker services rates for MA disability waivers equal to the rates established under the elderly care waiver system.

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

27 Applicable services.

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

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Makes this section effective January 1, 2026, or upon federal approval, whichever is later, except paragraph (b) is effective the day following final enactment. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

28 Data collection for rate determination.

Amends § 256B.4914, subd. 4. Makes a conforming change related to removal of respite services from DWRS.

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

29 Base wage index; establishment and updates.

Amends § 256B.4914, subd. 5. Modifies the timeline of future inflationary adjustments to the DWRS base wage index and updates the data upon which adjustments are based.

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

30 Base wage index; calculations.

Amends § 256B.4914, subd. 5a. Removes the base wage calculation for respite staff and asleep-overnight staff for family residential services and modifies the base wage calculation for employment exploration services under DWRS.

Makes the changes related to respite staff and employment exploration services staff effective January 1, 2024, or upon federal approval, whichever is later, and makes the changes related to family residential services effective January 1, 2026, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

31 Standard component value adjustments.

Amends § 256B.4914, subd. 5b. Includes life-sharing services in the list of component values that are periodically adjusted for inflation. Modifies the timeline for future inflationary adjustments to the standard component values under DWRS and updates the data upon which the 2024 adjustment will be based. Makes a conforming change related to the removal of respite services.

Makes the addition of life-sharing services effective January 1, 2026, or upon federal approval, whichever is later. Makes changes to the removal of respite services and the inflationary adjustment timeline effective January 1, 2024, or upon federal

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approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained. Makes a conforming change related to the removal of respite services.

32 Residential support services; generally.

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

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

33 Community residential services; component values and calculation of payment rates.

Amends § 256B.4914, subd. 6a. Adjusts the competitive workforce factor for community residential services under DWRS.

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

34 Family residential services; component values and calculation of payment rates.

Amends § 256B.4914, subd. 6b. Adjusts the competitive workforce factor for family residential services under DWRS.

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

35 Integrated community supports; component values and calculation of payment rates.

Amends § 256B.4914, subd. 6c. Adjusts the competitive workforce factor for integrated community supports under DWRS.

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

36 Adult day services; component values and calculation of payment rates.

Amends § 256B.4914, subd. 7a. Adjusts the competitive workforce factor for adult day services under DWRS.

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

37 Day support services; component values and calculation of payment rates.

Amends § 256B.4914, subd. 7b. Adjusts the competitive workforce factor for day support services under DWRS.

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

38 Prevocational services; component values and calculation of payment rates.

Amends § 256B.4914, subd. 7c. Adjusts the competitive workforce factor for prevocational services under DWRS.

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

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

Amends § 256B.4914, subd. 8. Adjusts the competitive workforce factor for unit-based services with programming under DWRS. Modifies the payment rate calculation for shared services.

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

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

Amends § 256B.4914, subd. 9. Adjusts the competitive workforce factor for unit-based services without programming under DWRS. Modifies the payment rate calculation for shared services.

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

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41 Evaluation of information and data.

Amends § 256B.4914, subd. 10. Makes a conforming change related to the removal of respite services.

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

42 Reporting and analysis of cost data.

Amends § 256B.4914, subd. 10a. Makes a conforming change related to the removal of respite services. Requires the commissioner to: (1) analyze DWRS cost documentation and provide recommendations for adjustments to cost components; (2) use collected data to determine compliance with staff compensation requirements; and (3) identify providers who do not meet the staff compensation requirements on the DHS website for the year for which the providers reported their costs.

Provides a January 1, 2025, effective date, except the removal of respite services is effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

43 Reporting and analysis of competitive workforce factor.

Amends § 256B.4914, subd. 10c. Modifies the timeline for the commissioner to report to the legislature with an analysis of the competitive workforce factor. Makes this subdivision expire June 30, 2031.

Provides a July 1, 2023, effective date.

44 Direct care staff; compensation.

Amends § 256B.4914, by adding subd. 10d. Requires providers reimbursed under DWRS to use a specified minimum amount of the revenue received through DWRS rates for direct care staff compensation. Lists the items included in compensation.

Provides a January 1, 2025, effective date.

45 Customization of rates for individuals.

Amends § 256B.4914, subd. 12. Makes a conforming cross-reference change related to the removal of respite services from DWRS.

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

46 Exceptions.

Amends § 256B.4914, subd. 14. Makes a conforming change related to the removal of respite services. Specifies life-sharing rates are not eligible for a rate exception.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later, except the change related to life-sharing services is effective January 1, 2026, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

47 Payments for family residential and life-sharing services.

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

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

48 ICF/DD rate increase effective January 1, 2024.

Amends § 256B.5012, by adding subd. 19. Increases the daily operating payment rates for class A and class B ICFs/DD by \$40.

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

49 ICF/DD minimum daily operating payment rates.

Amends § 256B.5012, by adding subd. 20. Establishes minimum daily operating payment rates for ICFs/DD as follows: (1) \$275 for a class A facility; and (2) \$316 for a class B facility.

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

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50 ICF/DD rate increases after January 1, 2025.

Amends § 256B.5012, by adding subd. 21. Requires ICF/DD rates to be updated for inflation annually beginning January 1, 2025.

Makes this section 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.

51 Community first services and supports; covered services.

Amends § 256B.85, subd. 7. Modifies the list of covered services under CFSS by removing the existing limits on the number of hours a parent can provide to a minor child. Increased limits on the number of hours of service a parent can provide to a minor child are specified in the new subdivision 7b.

Makes this section effective July 1, 2023, or upon federal approval, whichever is later. Requires the commissioner of human services to inform the revisor of statutes when federal approval is obtained.

52 Services provided by parents and spouses.

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

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

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

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

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

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

Makes this section effective July 1, 2023, or upon federal approval, whichever is later. Requires the commissioner of human services to inform the revisor of statutes when federal approval is obtained.

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53 Payment rates; base wage index.

Amends § 256B.851, subd. 3. Updates the data used to establish the base wage index under the payment rate methodology for PCA and CFSS services.

Makes this section effective January 1, 2024, or 90 days after federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

54 Payment rates; component values.

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

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

55 Payment rates; rate determination.

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

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

56 Persons entitled to receive aid.

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

Provides an immediate effective date.

57 Phase-in for disability waiver customized living rates.

Amends § 256S.2101, subd. 1. Modifies the phase-in for disability waiver customized living rates.

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- Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 58 **Use of data.**
Amends § 268.19, subd. 1. Allows data gathered under the administration of the Minnesota Unemployment Insurance Law to be disseminated to and used by DHS for the purpose of evaluating MA services and supporting program improvement.
- 59 **New American legal, social services, and long-term care workforce grant program.**
 Subd. 1. Definition. Defines “eligible workers.”

 Subd. 2. Grant program established. Requires the commissioner of human services to establish a new American legal, social services, and long-term care workforce grant program for organizations that serve and support new Americans.

 Subd. 3. Eligible grantees. Specifies the types of entities eligible to receive grant funding under this section.

 Subd. 4. Allowable uses of grant money. Lists allowable uses of grant money.

 Subd. 5. Reporting. Specifies information grantees must report to the commissioner.

 Subd. 6. Impact study and evaluation. Requires the commissioner to conduct a study of the long-term care workforce portion of the grant to assess the program’s impact on new Americans served by the program and to report to the legislature on the impacts of the program by June 30, 2027.
- 60 **Provider capacity grants for rural and underserved communities.**
 Subd. 1. Establishment and authority. Requires the commissioner of human services to: (1) award grants to organizations that provide community-based services to rural or underserved communities; (2) conduct community engagement, provide technical assistance, and establish a collaborative learning community; (3) limit expenditures to the amount appropriated for this purpose; and (4) give priority to organizations that provide culturally specific and culturally responsive services or that serve historically underserved communities throughout the state.

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

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

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61 Supported-decision-making programs.

Subd. 1. Authorization. Requires the commissioner of human services to award general operating grants to public and private nonprofit organizations, counties, and Tribes to provide and promote supported decision making.

Subd. 2. Definitions. Defines “supported decision making” and “supported decision making services.”

Subd. 3. Grants. Specifies how grants must be distributed.

Subd. 4. Evaluation and report. Requires the commissioner to submit to the legislature an interim report on the impact and outcomes of the grants by December 1, 2024. Specifies the information the interim report must include. Requires the commissioner to submit to the legislature a final report on the impact of the grants and how the money was used to achieve racial and geographic diversity in the populations receiving services by December 1, 2025.

Subd. 5. Applications. Specifies the types of organizations that may apply for each portion of the grant. Requires applications to be submitted in a form approved by the commissioner.

Subd. 6. Duties of grantees. Requires all grantees to comply with the rules related to the administration of the grants.

62 Approval of corporate foster care moratorium exceptions.

Allows the commissioner of human services to approve or deny corporate foster care moratorium exceptions prior to approval of a service provider’s home and community-based services license under the chapter of statutes governing home and community-based services standards. Prohibits approval of an exception from being construed as final approval of a service provider’s HCBS or community residential setting license. Limits moratorium exception approval to service providers that have requested a home and community-based services license under the chapter of statutes governing HCBS standards. Provides a December 31, 2023, expiration date.

Provides an immediate effective date.

63 Early intensive developmental and behavioral intervention (EIDBI) licensure study.

Requires the commissioner of human services to: (1) review the MA EIDBI service and evaluate the need for licensure or other regulatory modifications; (2) consult with interested stakeholders; and (3) convene stakeholder meetings to obtain feedback on licensure or regulatory recommendations. Lists the items that must be included in the evaluation.

Section Description - Article 1: Disability Services

64 Memorandums of understanding.

Ratifies the memorandums of understanding with SEIU Healthcare Minnesota that were submitted by the commissioner of management and budget on February 27, 2023.

65 Self-directed worker contract ratification.

Ratifies the labor agreement between the State of Minnesota and SEIU Healthcare Minnesota that was submitted to the Legislative Coordinating Commission on February 27, 2023.

66 Budget increase for consumer-directed community-supports.

Provides increases for consumer-directed community supports budgets under the MA waivers and alternative care program effective January 1, 2024, and January 1, 2025.

67 Direct care service corps pilot project.

Subd. 1. Establishment. Requires the Metropolitan Center for Independent Living to develop a pilot project establishing the Minnesota Direct Care Service Corps and to establish financial incentives and minimum work requirements to be eligible for incentive payments. Requires the project to use financial incentives to attract postsecondary students to work as personal care assistants or direct support professionals.

Subd. 2. Pilot sites. Specifies where pilot sites must be located. Requires the pilot sites to pay each student the financial incentive developed for the pilot project after the student satisfactorily completes the work requirements for a semester.

Subd. 3. Evaluation and report. Requires the Metropolitan Center for Independent Living to contract with a third party to evaluate the pilot project's impact on health care costs, retention of PCAs, and patients' and providers' satisfaction of care. Specifies additional information that must be included in the evaluation. Requires the Metropolitan Center for Independent Living to report the findings of the evaluation to the legislature by January 15, 2025.

68 Rate increase for home care services.

Requires the commissioner of human services to increase payment rates for home health agency services by 14.99 percent and home care nursing by 25 percent from the rates in effect on December 31, 2023.

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

Section Description - Article 1: Disability Services

- 69 Specialized equipment and supplies limit increase.**
Requires the commissioner of human services to increase the annual limit for specialized equipment and supplies under the MA waiver plans, alternative care, and essential community supports to \$10,000.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 70 Direction to commissioner; application of ICF/DD rate increases.**
Specifies how the commissioner of human services must apply the ICF/DD rate increases included in this act.
- 71 Rate increase for certain disability waiver services.**
Requires the commissioner of human services to increase payment rates for chore services and home-delivered meals provided under the MA disability waivers by 14.99 percent from the rates in effect on December 31, 2023.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 72 Rate increase for EIDBI benefit services.**
Requires the commissioner of human services to increase payment rates for EIDBI services by 14.99 percent from the rates in effect on December 31, 2023.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 73 Rate increase for ICF/DD day training and habilitation services.**
Requires the commissioner of human services to increase payment rates for day training and habilitation services by 14.99 percent from the rates in effect on December 31, 2023.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 74 Study to expand access to services for people with co-occurring behavioral health conditions and disabilities.**
Requires the commissioner of human services to evaluate options to expand services authorized under the MA waivers. Allows the evaluation to include options to

Section Description - Article 1: Disability Services

authorize services under the MA state plan and strategies to decrease the number of people who remain in hospitals, jails, and other acute or crisis settings when they no longer meet medical or other necessary criteria.

75 Temporary grant for small customized living providers.

Requires the commissioner of human services to establish a temporary grant for customized living providers that serve six or fewer people in a single-family home and that are transitioning to a community residential setting licensure or integrated community supports licensure. Lists allowable uses of grant money. Requires license holders of eligible settings to apply to the commissioner using an application process determined by the commissioner. Limits grants to \$50,000 per eligible setting and specifies grants are onetime. Allows the commissioner to approve grant applications on a rolling basis.

76 Direction to commissioner; supported decision making reimbursement study.

Requires the commissioner to issue a report to the governor and the legislature detailing how MA service providers could be reimbursed for providing supported decision making services. Specifies the information that must be provided in the report. Requires the commissioner to consult with stakeholders.

77 Direction to commissioner; shared services.

Requires the commissioner of human services to: (1) seek any necessary changes to HCBS waiver plans regarding shared services by December 31, 2023; (2) develop or provide guidance related to shared services support planning; and (3) seek and utilize stakeholder input for any proposed changes to waiver plans and any shared services guidance.

78 Direction to commissioner; disability waiver shared services rates.

Requires the commissioner of human services to establish a rate system for shared homemaker services and shared chore services provided under the MA disability waivers. Applies these rates only when all of the criteria for shared services have been met.

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

79 Interagency employment supports alignment study.

Requires the commissioners of human services, employment and economic development, and education to conduct an interagency alignment study on employment supports for people with disabilities. Lists the topics the study must evaluate.

Section Description - Article 1: Disability Services

80 Monitoring employment outcomes.

By January 15, 2025, requires DHS, DEED, and MDE to provide the chairs and ranking minority members of the legislative committees with jurisdiction over health, human services, and labor with a plan for tracking employment outcomes for people with disabilities served by programs administered by those agencies. Requires the plan to include any needed changes to state law to track supports received and outcomes across programs.

81 Study on presumptive eligibility for long-term services and supports.

Requires the commissioner of human services to study presumptive financial and functional eligibility for people with disabilities and older adults for MA, alternative care, essential community supports, and home and community-based services. Lists the topics that must be evaluated in the presumptive eligibility study. Requires the commissioner to report recommendations and draft legislation to the legislature by January 1, 2025.

82 Acute Care Transitions Advisory Council.

Subd. 1. Establishment. Requires the commissioner of human services to establish an Acute Care Transitions Advisory Council to advise and assist the commissioner in establishing and implementing a statewide vision and systemic approach to acute care transitions in Minnesota.

Subd. 2. Membership. Lists the members of the Acute Care Transitions Advisory Council. Requires advisory council members to represent diverse populations and different areas of the state to the extent possible. Prohibits members of the legislature from serving as a member of the advisory council.

Subd. 3. Cochairs; convening first meeting. Requires the commissioner of human services to convene the first meeting. Requires advisory council members to select cochairs at the first meeting.

Subd. 4. Compensation; expenses; reimbursement. Requires advisory council members to be compensated and reimbursed for expenses as provided in the section of statutes governing advisory councils and committees.

Subd. 5. Administrative support. Requires the commissioner of human services to provide meeting space and administrative support to the advisory council.

Subd. 6. Public and community engagement. Requires the commissioner to: (1) conduct public and community engagement to obtain information about barriers and potential solutions to transitioning patients from acute care settings to more appropriate nonacute care settings; and (2) provide the information collected through public and community engagement to the advisory council.

Section Description - Article 1: Disability Services

Subd. 7. Duties. By October 1, 2024, requires the advisory council to develop and present to the legislature and the commissioner of human services an action plan for creating a systemic approach to acute care transitions for Minnesotans. Lists information that must be included in the action plan. Allows the advisory council to contract with a private entity or consultant to complete its duties and exempts the advisory council from state procurement process requirements.

Subd. 8. Limitations. Lists issues the advisory council must consider in developing the action plan.

Subd. 9. Expiration. Makes the advisory council expire on October 2, 2024, or the day after submitting the action plan, whichever is earlier.

83 Overpayments for disability waiver customized living services.

Exempts providers that received ineligible payments for customized living services under the CADI or BI waivers for people under age 55 who were not residing in the setting before January 11, 2021, from repaying ineligible payments. Prohibits the state from sanctioning providers for receipt of these ineligible payments or otherwise seeking recovery of these payments. Requires the state to repay with state money any amount owed to CMS for the federal financial participation amount received by the state for ineligible payments. Requires the commissioner to update guidance and communicate with lead agencies and customized living service providers to ensure that lead agencies and providers understand the requirements for MA disability waiver customized living service payments.

84 Personal care assistance compensation for services provided by a parent or spouse.

Allows a parent, stepparent, or legal guardian of a minor who is a PCA recipient or the spouse of a PCA recipient to provide and be paid for providing MA personal care assistance services. Requires the commissioner to seek federal approval for these payments. Requires the commissioner to make payments for services rendered, prior to federal disapproval, without federal financial participation. Makes this section expire November 11, 2023, or upon the expiration of federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval expires.

Provides a retroactive effective date of May 12, 2023.

85 Repealer.

Paragraph (a) repeals Minn. Stat. § 256B.4914, subd. 9a (respite services; component values and calculation of payment rates), effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

Section Description - Article 1: Disability Services

Paragraph (b) repeals Minn. Stat. § 256B.4914, subd. 6b (family residential services; component values and calculation of payment rates), effective January 1, 2026, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

Article 2: Aging Services

This article includes changes to adult protection grant allocations, nursing facility case mix indices, critical access nursing facility rate adjustments, the elderly waiver payment rate methodology, live well at home grants, the nursing facility payment rate for a facility in Red Wing, and provides a rate increase for certain HCBS services. This article also establishes caregiver respite services grants and requires the commissioner to develop recommendations for funding PACE.

Section Description - Article 2: Aging Services

1 Native American elders coordinator position.

Amends § 256.975, subd. 6. Modifies the statute governing the Minnesota Board on Aging Native American elders coordinator position by: (1) modifying terminology; (2) modifying the purpose of the position; (3) defining terms; and (4) modifying the list of components that may be included in the statewide Tribal-based service system.

2 Live well at home grants.

Amends § 256.9754. Consolidates live well at home grants by moving language related to the grants from section 256B.0917 to this section.

Subd. 1. Definitions. Moves language from section 256B.0917, subdivision 1b, to this subdivision.

Subd. 2. Creation; purpose. Moves language from section 256B.0917, subdivision 1a, to this subdivision. Includes providing services and supports to people with dementia in the live well at home grants.

Subd. 3. Community services development grants. Makes technical changes.

Subd. 3a. Priority for other grants. No changes.

Subd. 3b. State waivers. Makes conforming changes.

Subd. 3c. Caregiver support and respite care projects. Moves language from section 256B.0917, subdivision 6, to this subdivision. Requires volunteer and

Section Description - Article 2: Aging Services

caregiver training to include resources on how to support an individual with dementia.

Subd. 3d. Core home and community-based services projects. Moves language from section 256B.0917, subdivision 7a, to this subdivision.

Subd. 3e. Community service grants. Moves language from section 256B.0917, subdivision 13, to this subdivision.

Subd. 3f. Live well at home grant extensions. Allows current grantees to apply on a noncompetitive basis to receive up to two years of additional funding. Specifies eligibility criteria. Requires the commission to give priority to grantees who have demonstrated success in providing certain services.

Subd. 4. Eligibility. No changes.

Subd. 5. Grant preference. No changes.

3 Caregiver respite services grants.

Creates § 256.9756.

Subd. 1. Caregiver respite services grant program established. Requires the commissioner of human services to establish a caregiver respite services grant program to increase the availability of respite services for family caregivers of people with dementia and older adults. Requires the commissioner to award grants on a competitive basis to respite services providers, giving priority to areas of the state where there is a high need for respite services.

Subd. 2. Eligible uses. Requires grant recipients to use a portion of the grant award to provide free or subsidized respite services.

Subd. 3. Report. Requires the commissioner to periodically submit a report on caregiver respite services grants to the legislature.

4 Eligibility for funding for services for nonmedical assistance recipients.

Amends § 256B.0913, subd. 4. Specifies the monthly service limit for individuals participating in CDCS under alternative care.

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

Section Description - Article 2: Aging Services

5 Services covered under alternative care.

Amends § 256B.0913, subd. 5. Makes conforming changes related to CDCS parity under alternative care.

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

6 Definitions.

Amends § 256B.0917, subd. 1b. Removes definitions that are moved to section 256.9754.

7 Adult protection grant allocations.

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

Provides a July 1, 2023, effective date.

8 Case mix indices.

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

9 External fixed costs payment rate.

Amends § 256R.25. Modifies the nursing facility external fixed costs payment rate by including the rate adjustment for critical access nursing facilities.

Section Description - Article 2: Aging Services

Makes this section effective July 1, 2023, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

10 Rate adjustment for critical access nursing facilities.

Amends § 256R.47. Modifies critical access nursing facility adjustments. Allows for a supplemental payment above a facility's operating payment rate as determined to be necessary by the commissioner for facilities designated as critical access nursing facilities. Requires the commissioner to approve the supplemental payment amounts through a memorandum of understanding. Requires the supplemental payments to be time-limited rate adjustments included in the external fixed costs payment rate. Requires the designation of a critical access nursing facility to be removed if the facility undergoes a change of ownership.

Makes this section effective July 1, 2023, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

11 Nursing facility in Red Wing.

Amends § 256R.53, by adding subd. 3. Modifies the operating payment rate for a nursing facility located in Red Wing. Makes this subdivision expire June 30, 2025.

Makes this section effective July 1, 2023, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

12 Financially distressed nursing facility loan program.

Creates § 256R.55.

Subd. 1. Financially distressed nursing facility loans. Requires the commissioner to: (1) establish a competitive financially distressed nursing facility loan program to provide operating loans to eligible nursing facilities; and (2) initiate the application process for the loan at least once annually.

Subd. 2. Eligibility. Specifies nursing facility eligibility criteria for the loan program.

Subd. 3. Approving loans. Requires the commissioner to evaluate all loan applications on a competitive basis and award loans to successful applicants within available appropriations. Specifies the commissioner's decisions are final and not subject to appeal.

Subd. 4. Disbursement schedule. Allows successful loan applicants to receive loan disbursements as a lump sum, on an agreed upon disbursement schedule, or

Section Description - Article 2: Aging Services

as a time-limited line of credit. Requires the commissioner to approve disbursements to successful loan applicants through a memorandum of understanding. Requires the memoranda of understanding to specify the amount and schedule of loan disbursements.

Subd. 5. Loan administration. Allows the commissioner to contract with an independent third party to administer the loan program.

Subd. 6. Loan payments. Requires the commissioner to negotiate the terms of the loan repayment, prohibits loan repayments from beginning until at least 18 months after the first disbursement date, prohibits the repayment term from exceeding 72 months, requires late payments to be assessed a penalty rate of 0.01 percent of the original loan amount each month the payment is past due, prohibits the late fee from being an allowable cost on a nursing facility cost report, and allows the commissioner to abate penalties under certain circumstances.

Subd. 7. Loan repayments. Specifies the commissioner's duties and actions the commissioner may take if a borrower is more than 60 calendar days delinquent in the timely payment of a contractual payment under this program. Specifies all unpaid loans, plus any accrued penalties, are overpayments. Makes the current owner of a nursing home or boarding care home liable for the overpayment amount owed by a former owner for any facility sold, transferred, or reorganized.

Subd. 8. Audit. Subjects loan money allocated under this program to audit to determine whether the money was spent as authorized.

Subd. 9. Carryforward. Provides carry forward authority for any appropriations for the loan program under this section until the close of the fiscal year in which this section expires.

Subd. 10. Expiration. Provides a June 30, 2029, expiration date.

Provides a July 1, 2023, effective date.

13 Foster care limit.

Amends § 256S.15, subd. 2. Makes a conforming change related to CDCS parity.

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

Section Description - Article 2: Aging Services

- 14 Monthly case mix budget caps for consumer-directed community supports.**
Amends § 256S.18, by adding subd. 3a. Requires monthly case mix budget caps for each case mix classification for CDCS to be equal to the case mix budget caps for elderly waiver recipients who choose not to use the CDCS option.
- Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 15 Calculation of monthly conversion budget caps.**
Amends § 256S.19, subd. 3. Makes conforming changes related to CDCS parity.
- Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 16 Rate setting; application; evaluation.**
Amends § 256S.21.
- Subd. 1. Application of rate setting.** Makes technical changes.
- Subd. 2. Evaluation of rate setting.** Requires the commissioner, in consultation with stakeholders, to evaluate certain elderly waiver rate setting elements beginning January 1, 2024, and every two years thereafter. Requires the commissioner to report to the legislature with a full report on elderly waiver rate setting beginning January 15, 2026, and every two years thereafter.
- Subd. 3. Cost reporting.** Requires providers enrolled to provide elderly waiver services to submit requested cost data to the commissioner to support evaluation of the elderly waiver rate methodology. Lists data that the commissioner may request. Requires a provider to submit cost data at least once in any five-year period for a fiscal year that ended not more than 18 months prior to the submission date. Requires the commissioner to: (1) provide notice to a provider prior to the provider's submission date; (2) temporarily suspend payments to a provider if cost data is not received 90 days after the required submission date; (3) make withheld payments once data is received by the commissioner; (4) coordinate the elderly waiver cost reporting activities with DWRS cost reporting activities; and (5) analyze cost documentation and submit recommendations on elderly waiver rate methodologies.
- Makes subdivisions 1 and 2 effective January 1, 2024, or upon federal approval, whichever is later. Makes subdivision 3 effective January 1, 2025. Requires the

Section Description - Article 2: Aging Services

commissioner of human services to notify the revisor of statutes when federal approval is obtained.

17 Rate setting; updating rates; spending requirements.

Amends § 256S.211.

Subd. 1. Establishing base wages. Makes conforming changes.

Subd. 2. Updating rates. Requires the commissioner to update elderly waiver component rates and rates effective January 1, 2024, using the factor and base wages values the commissioner used to establish the new elderly waiver rate methodology in 2019.

Subd. 3. Updating home-delivered meals rate. Requires the commissioner to update the home-delivered meals rate by the percent increase in the nursing facility dietary per diem using the two most recently available nursing facility cost reports.

Subd. 4. Spending requirements. Except for BI customized living services and CADI customized living services, requires at least 80 percent of the marginal increase in revenue from implementing any elderly waiver rate adjustments to be used to increase compensation-related costs for employees directly employed by the provider. Lists the items included in compensation-related costs. Specifies that compensation-related costs for persons employed in the central office of an entity that has an ownership interest in the provider or exercises control over the provider, or for persons paid by the provider under a management contract, do not count toward the 80 percent requirement. Requires providers that receive additional revenue subject to the 80 percent requirement to: (1) prepare a distribution plan that specifies the amount of money received and how that money was distributed to increase compensation-related costs for employees; and (2) post the distribution plan.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained. Makes subdivision 5 effective January 1, 2025.

18 Rate setting; base wage index.

Amends § 256S.212. Modifies base wage index calculations for home management and support services, home care aide services, home health aide services, medications setups by licensed nurses, chore services, companion services, homemaker assistance with personal care, homemaker cleaning services, homemaker home management services, in-home respite care services, out-of-home respite care services, individual community living support services, registered nurse

Section Description - Article 2: Aging Services

services, and unlicensed supervisor services. Establishes a base wage calculation for adult day services. Modifies terminology.

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

19 Rate setting; factors.

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

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

20 Rate setting; adjusted base wage.

Amends § 256S.214. Modifies the elderly waiver adjusted base wage calculation. Establishes a floor for the elderly waiver adjusted base wage of \$16.68.

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

22-31 Rate setting; component rates.

and 33-34 Amends § 256S.215. Modifies various component rate calculations under the elderly waiver payment rate methodology.

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

32 Home-delivered meals rate.

Amends § 256S.215, subd. 15. Provides a rate adjustment for the home-delivered meals rate under the elderly waiver rate methodology.

Provides a July 1, 2023, effective date, 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 2: Aging Services

- 35 **Governor’s Council on an Age-Friendly Minnesota.**
Amends Laws 2021, ch. 30, art. 12, § 5, as amended by Laws 2021, First Special Session ch. 7, art. 17, § 2. Extends the expiration date of the Governor’s Council on an Age-Friendly Minnesota from June 30, 2024, to June 30, 2027.
- 36 **Age-friendly Minnesota.**
Amends Laws 2021, First Special Session ch. 7, art. 17, § 8. Extends the expiration date of the age-friendly community grant program and technical assistance grants.
- 37 **Direction to commissioner; future PACE implementation funding.**
Requires the commissioner of human services to: (1) work with stakeholders to undertake an actuarial analysis to establish a monthly MA rate for the program of all-inclusive care for the elderly (PACE); (2) recommend a financing mechanism and administrative framework by September 1, 2024; and (3) inform the legislature on the commissioner’s progress toward developing a recommended financing mechanism by September 1, 2024. Allows the commissioner to issue or extend an RFP to an outside vendor.
- 38 **Direction to commissioner of human services; caregiver respite services grants.**
Requires the commissioner of human services to continue a temporary respite services grant program under the new program in section 256.9756. Authorizes the commissioner to begin the grant application process in fiscal year 2024 to facilitate continuity of the grant program during the transition from a temporary to a permanent program.
- 39 **Direction to commissioner; small provider regulatory relief.**
Requires the commissioners of human services and health to consult with assisted living facility license holders who provide customized living and whose facilities are smaller than 11 beds to compile a list of regulatory requirements, compliance with which is particularly difficult for small providers. Requires the commissioner to provide the legislative committees with jurisdiction over assisted living licensure and customized living with recommendations, including draft legislation, to reduce the regulatory burden on small providers.
- 40 **Rate increase for certain home and community-based services.**
Requires the commissioner of human services to increase payment rates for community living assistance and family caregiver services under alternative care, essential community supports, and elderly waiver by 14.99 percent from the rates in effect on December 31, 2023.

Section Description - Article 2: Aging Services

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

41 Nursing facility rate study.

Requires the commissioner of human services to contract with an independent organization with subject matter expertise in nursing facility accounting to conduct a study of nursing facility rates. Lists the information that must be included in the study. Requires nursing facilities to provide information to the commissioner pertaining to financial operations upon request. By January 1, 2025, requires the commissioner to submit a report to the legislative committees with jurisdiction over human services policy and finance recommending adjustments to the nursing facility MA rate methodology based on the results of the study. Requires the commissioner to consult with the OLA Financial Audit Division and Program Evaluation Division on study design methods.

42 Revisor instruction.

Instructs the revisor of statutes to change the section headnote for section 256B.0917 to more accurately reflect the remaining language.

43 Repealer.

Paragraph (a) repeals Minn. Stat. § 256B.0917, subds. 1a, 6, 7a, and 13 (home and community-based services for older adults). This language is moved to § 256.9754.

Paragraph (b) repeals Minn. Stat. § 256S.19, subd. 4 (calculation of monthly conversion budget caps with CDCS); and 256S.2101, subd. 2 (phase-in), effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

Article 3: Health Care

This article includes provisions to eliminate TEFRA fees, eliminate asset limits for MA-EPD, modify nonemergency medical transportation (NEMT) rates and provide for a fuel cost adjustor, establish a new covered MA benefit for hospice respite and end-of-life care for children, modify the electronic visit verification system, and establish new MA reimbursement calculations for enteral nutrition and supplies.

Section Description - Article 3: Health Care

1 Contribution amount.

Amends § 252.27, subd. 2a. Eliminates TEFRA fees for parents of children with disabilities or a chronic disease who access MA under the TEFRA option or MA home and community-based services.

2 Notice of employed persons with disabilities program.

Amends § 256B.04, by adding subd. 26. At the time of initial enrollment and at least annually thereafter, requires the commissioner to provide information on the MA-EPD program to all MA enrollees who indicate they have a disability.

3 Asset limitations for certain individuals.

Amends § 256B.056, subd. 3. Removes language disregarding the income of a spouse of a person enrolled in MA-EPD during each of the 24 consecutive months before the person's 65th birthday when determining eligibility for MA under the aged, blind, or persons with disabilities category.

Provides an immediate effective date.

4 Employed persons with disabilities.

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

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

5 Transportation costs.

Amends § 256B.0625, subd. 17. Increases MA reimbursement rates for NEMT and establishes a fuel cost adjustor for NEMT reimbursement rates, set at \$3.00 per gallon.

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

6 Payment for ambulance services.

Amends § 256B.0625, subd. 17a. Establishes a fuel cost adjustor for ambulance services rates, set at \$3.00 per gallon. Requires managed care plans and county-

Section Description - Article 3: Health Care

based purchasing plans to provide the fuel adjustment for ambulance services rates when fuel exceeds \$3.00 per gallon.

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

7 Documentation required.

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

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

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

8 Nonemergency medical transportation provisions related to managed care.

Amends § 256B.0625, subd. 18h. Makes technical changes. Requires managed care plans and county-based purchasing plans to provide the fuel adjustment for NEMT rates when fuel exceeds \$3.00 per gallon.

Provides a January 1, 2024, effective date.

9 Hospice care.

Amends § 256B.0625, subd. 22. Makes a clarifying change related to the residential hospice and hospice respite for children proposal.

Provides a January 1, 2024, effective date.

10 Residential hospice facility; hospice respite and end-of-life care for children.

Amends § 256B.0625, by adding subd. 22a. Establishes a new MA covered benefit for hospice respite and end-of-life care for children who elect to receive hospice care in a licensed residential hospice facility. Establishes a reimbursement rate for these

Section Description - Article 3: Health Care

services to be paid from state money. Requires the commissioner to seek to obtain federal financial participation for these payments.

Provides a January 1, 2024, effective date.

11 Requirements.

Amends § 256B.073, subd. 3. Requires the commissioner to publish on the DHS website the name and contact information for the vendor of the state-selected electronic visit verification system and any other vendors that offer alternative electronic visit verification systems. Specifies additional information that must be provided.

12 Vendor requirements.

Amends § 256B.073, by adding subd. 5. Lists requirements that the state-selected vendor of the electronic visit verification system and any vendor affiliates must meet.

Provides a July 1, 2023, effective date.

13 Actions to obtain payment.

Amends § 256B.14, subd. 2. Makes conforming changes related to the elimination of TEFRA fees.

14 Reimbursement for basic care services.

Amends § 256B.766. Establishes new MA reimbursement calculations for enteral nutrition and supplies.

Article 4: Behavioral Health

This article creates the Office of Addiction and Recovery, establishes requirements for sober homes, modifies SUD treatment service and rate requirements, temporarily modifies the “48-hour rule” for priority admission to state-operated treatment programs, establishes grant programs and evidence-based training opportunities, provides supplementary housing support rates, and requires the commissioner to convene work groups and conduct a sober home survey.

Section Description - Article 4: Behavioral Health

1 Office of Addiction and Recovery; director.

Amends § 4.046, subd. 6. Creates the Office of Addiction and Recovery in the Department of Management and Budget.

Section Description - Article 4: Behavioral Health

- 2 Staff and administrative support.**
Amends § 4.046, subd. 7. Modifies staff and administrative support provisions related to the creation of the Office of Addiction and Recovery.
- 3 Facility or program.**
Amends § 245.91, subd. 4. Adds sober homes to definition of “facility” or “program” in chapter 245.
- 4 Exemption from license requirement.**
Amends § 245G.02, subd. 2. Adds cross-reference to new subdivision.
- 5 Contents.**
Amends § 245G.09, subd. 3. Modifies requirements for client record contents by updating cross-references.
- 6 Nonmedication treatment services; documentation.**
Amends § 245G.22, subd. 15, as amended by 2023 H.F. No. 1403, article 1, section 17. Amends session law by adding January 1, 2024, effective date.
- 7 Administrative requirements.**
Amends § 253B.10, subd. 1. Modifies “48-hour rule” requirements. Specifies that the requirement for priority admission to state-operated treatment programs within 48 hours begins when a medically appropriate bed is available, until June 30, 2025, when the new paragraph expires. Provides an immediate effective date.
- 8 Sober home.**
Amends § 254B.01 by adding subd. 10. Adds definition of “sober home” in SUD treatment chapter.
- 9 Licensure required.**
Amends § 254B.05, subd. 1. Specifies that a county is an eligible vendor of peer recovery services when the services are provided by an individual who meets statutory requirements for recovery peers.
- 10 Rate requirements.**
Amends § 254B.05, subd. 5. Removes SUD treatment services with medications for opioid use disorder and SUD treatment services with medications for opioid use disorder with enhanced treatment services from list of SUD rates. Makes this section effective January 1, 2024, or upon federal approval, whichever is later.

Section Description - Article 4: Behavioral Health

- 11 Rate methodology; substance use disorder treatment services with medications for opioid use disorder.**
Proposes coding for § 254B.121. Modifies rate methodology for SUD treatment services with medications for opioid use disorder. Requires the commissioner to update the rates each January 1, to equal the corresponding Minnesota-specific, locality-adjusted Medicare rates for the same or comparable services.

Specifies that this rate does not apply to federally qualified health centers, rural health centers, Indian health services, or certified community behavioral health centers.

Specifies annual limits for weekly nondrug bundle charges; allows the commissioner to override coverage limits if the provider obtains authorization to exceed the limit and provides required documentation.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later.
- 12 Withdrawal management start-up and capacity-building grants.**
Proposes coding for § 254B.17. Establishes start-up and capacity-building grants for prospective or new withdrawal management programs that will meet medically monitored or clinically monitored levels of care; lists eligible uses of grant funds related to staffing, infrastructure, and operations.
- 13 Safe recovery sites start-up and capacity-building grants.**
Proposes coding for § 254B.18. Requires the commissioner to establish start-up and capacity-building grants for current or prospective harm reduction organizations; specifies eligible uses of grant funds related to the establishment of safe recovery sites. Requires the commissioner to conduct local community outreach and engagement in collaboration with newly established safe recovery sites; requires the commissioner to prioritize grant applications for culturally specific or culturally responsive organizations committed to serving individuals from communities disproportionately impacted by the opioid epidemic.
- 14 Sober homes.**
Proposes coding for § 254B.181. Requires sober homes to comply with all applicable state and local laws and regulations, and lists additional requirements for sober homes. Establishes a bill of rights for individuals living in sober homes. Specifies that any complaints about a sober home may be made to and reviewed or investigated by the ombudsman for mental health and developmental disabilities, and that an individual may bring an action to recover damages caused by a violation of the sober home requirements or bill of rights.

Section Description - Article 4: Behavioral Health

- 15 **Evidence-based training.**
Proposes coding for § 254B.191. Requires the commissioner to establish training opportunities for SUD treatment providers to increase knowledge and develop skills to adopt evidence-based and promising practices, and to support the transition to ASAM standards. Specifies topics that training may include.
- 16 **Provider participation.**
Amends § 256B.0759, subd. 2. Requires licensed nonresidential SUD treatment programs that receive payment under MA to enroll in the federal demonstration project and meet requirements by January 1, 2025, to remain eligible for MA payment.
- 17 **Supplemental rate; Douglas County.**
Amends § 245I.05 by adding subd. 1s. Authorizes the county to negotiate a supplementary monthly rate not to exceed \$750 per month for a housing support provider located in Douglas County.
- 18 **Supplemental rate; Crow Wing County.**
Amends § 245I.05 by adding subd. 1t. Authorizes the county to negotiate a supplementary monthly rate not to exceed \$750 per month for a housing support provider located in Crow Wing County.
- 19 **Supplemental rate; Douglas County.**
Amends § 245I.05 by adding subd. 1u. Authorizes the county to negotiate a supplementary monthly rate for up to 20 beds, not to exceed the maximum rate in existing statute, for a housing support provider located in Douglas County. Provides a July 1, 2023, effective date.
- 20 **Sober home title protection.**
Proposes coding for § 325F.725. Prohibits a person or entity from using the phrase “sober home” for any commercial or promotional purpose unless the person or entity meets the statutory definition and requirements for sober homes.
- 21 **Culturally responsive recovery community grants.**
Requires the commissioner to establish start-up and capacity-building grants for prospective or new recovery community organizations focused on culturally specific recovery communities. Lists eligible uses of grant funds. Provides a July 1, 2023, effective date.

Section Description - Article 4: Behavioral Health

- 22 **Family treatment start-up and capacity-building grants.**
Requires the commissioner to establish start-up and capacity-building grants for prospective or new SUD treatment programs that serve families with their children. Lists eligible uses for grant funds.
- 23 **Medical assistance behavioral health system transformation study.**
Requires the commissioner, in consultation with stakeholders, to evaluate coverage of traditional healing, behavioral health services in correctional facilities, and contingency management under MA.
- 24 **Opioid treatment program work group.**
Requires the commissioner to convene a work group of community partners to evaluate the opioid treatment program model and make recommendations; requires a report to the legislature on the recommendations by January 15, 2024.
- 25 **Enrollment and requirements for peer recovery support services vendors.**
Requires the commissioner to consult with providers, counties, Tribes, recovery community organizations, and the larger recovery community to develop recommendations on whether entities seeking medical assistance vendor eligibility should be subject to additional provider enrollment and oversight requirements. Requires the commissioner to submit recommendations to the legislature by February 1, 2024; specifies what recommendations must include.
- 26 **Sober home scan.**
Requires the commissioner to conduct a survey to identify sober home settings across the state and collect information about sober homes statewide, in collaboration with the Minnesota Association of Sober Homes and other stakeholders.
- 27 **Revisor instruction.**
Instructs the revisor to renumber section 245G.01, subdivision 20b, as section 245G.01, subdivision 20d, and make any necessary changes to cross-references.
- 28 **Repealer.**
Repeals §§ 245G.05, subd. 2 (assessment summary); 245G.06, subd. 2 (individual treatment plan contents); 256B.0759, subd. 6 (medium intensity residential program demonstration project participation); and 246.18, subdivisions 2 and 2a (governing transfer of funds received by an SUD facility operated by a state-operated regional treatment center or nursing home). Provides effective dates for repealer paragraphs.

Article 5: Opioid Epidemic Response and Overdose Prevention

This article includes provisions to address the opioid epidemic and prevent overdoses, including requiring opiate antagonists and providing guidance on overdose emergency procedures in schools, correctional facilities, and other DHS-licensed programs; modifies Opiate Epidemic Response Council (OERAC) requirements, membership, and appropriations; and establishes grant programs and a public awareness campaign.

Section Description - Article 5: Opioid Epidemic Response and Overdose Prevention

- 1 Opiate antagonists.**
Proposes coding for § 121A.224. Requires a school district or charter school to maintain a supply of opiate antagonists at each school site; requires each school building to have two doses of a nasal opiate antagonist available on site; requires the commissioner of health to identify training resources on administering a nasal opiate antagonist.
- 2 Correctional facilities; inspection; licensing.**
Amends § 241.021, subd. 1. Adds guidance on opioid overdose emergency procedures to required guidance promulgated by the commissioner of corrections.
- 3 Minimum standards.**
Amends § 241.31, subd. 5. Requires community corrections programs to maintain a supply of opiate antagonists at each correctional site; requires each site to have at least two doses of a nasal opiate antagonist available on site and requires staff to be trained on administering opiate antagonists.
- 4 Release plans; substance abuse.**
Amends § 241.415. Requires the commissioner of corrections to provide individuals with known or stated histories of opioid use disorder with emergency opiate antagonist rescue kits upon release.
- 5 Opioid overdose surge alert system.**
Proposes coding for § 245.891. Requires the commissioner to establish a voluntary, statewide opioid overdose surge text message alert system.
- 6 Emergency overdose treatment.**
Proposes coding for § 245A.242. Requires license holders for SUD treatment programs, children’s residential facility SUD treatment programs, detoxification programs, withdrawal management programs, and intensive residential treatment services or residential crisis stabilization services to maintain a supply of opiate antagonists, have a written standing order protocol, and require staff to undergo training on administering the opiate antagonist.

Section Description - Article 5: Opioid Epidemic Response and Overdose Prevention

7 Emergency overdose treatment.

Amends § 245G.08, subd. 3. Deletes current language and inserts reference to above section outlining requirements for emergency overdose treatment in SUD treatment programs.

8 Establishment of the advisory council.

Amends § 256.042, subd. 1. Requires the Opiate Epidemic Advisory Council to meet with each of the 11 federally recognized Minnesota Tribal Nations annually, to collaborate and communicate on issues and priorities.

9 Membership.

Amends § 256.042, subd. 2. Increases number of OERAC members to 20; adds one member representing an urban American Indian community. Reduces the proportion of members that must reside outside of the seven-county metro area from one-half to one-third.

10 Appropriations from registration and license fee account.

Amends § 256.043, subd. 3. Modifies statutory appropriations from the opioid registration and license fee account by adding appropriations for opiate antagonist distribution, traditional healing practices, Project ECHO programs, safe recovery site grants, and the opioid overdose surge alert system. Specifies that appropriations are available for three years. Provides an immediate effective date.

11 Appropriations from settlement account.

Amends § 256.043, subd. 3a. Specifies that appropriations for Tribal social service agency child protection initiative projects and OERAC grants are available for three years. Provides an immediate effective date.

12 Opiate antagonists.

Proposes coding for § 256I.052. Requires site-based or group housing support settings to maintain a supply of opiate antagonists at each housing site; requires each site to have at least two doses on site and requires staff training on administering opiate antagonists.

13 Appropriations.

Amends Laws 2019, chapter 63, article 3, § 1, as amended by Laws 2020, chapter 115, article 3, § 35, and Laws 2022, chapter 53, §12. Cancels Project ECHO, opioid overdose prevention grant, and traditional healing temporary funding. Provides immediate effective date.

Section Description - Article 5: Opioid Epidemic Response and Overdose Prevention

14 Public awareness campaign.

Requires the commissioner to establish a multitiered public awareness and educational campaign on substance use disorders. Specifies what the campaign must include, and requires the commissioner to consult with communities disproportionately impacted by substance use disorder to ensure that the campaign focuses on lived experience and equity.

15 Harm reduction and culturally specific grants.

Requires the commissioner to establish grants for Tribal nations or culturally specific organizations to address the impacts of the opioid epidemic through harm reduction and expansion of culturally specific services; specifies allowable uses of grant funds related to harm reduction and culturally specific organizational capacity and service and outreach grant funds.

Article 6: Opioid Prescribing Improvement Program

This article modifies the opioid prescribing improvement program (OPIP), provides a waiver for certain prescribers, and specifies that the program will expire by December 31, 2024.

Section Description - Article 6: Opioid Prescribing Improvement Program

1 Program established.

Amends § 256B.0638, subd. 1. Adds, as an additional purpose for the DHS opioid prescribing improvement program, the support of patient-centered, compassionate care for Minnesotans who require treatment with opioid analgesics. {Enter summary}

2 Definitions.

Amends § 256B.0638, subd. 2. Updates terminology from “medical assistance” to “Minnesota health care program.”

3 Program components.

Amends § 256B.0638, subd. 4. Adds “palliative care” to paragraph outlining exceptions to opioid prescribing protocols.

4 Program implementation.

Amends § 256B.0638, subd. 5. Requires the DHS quality improvement program to be designed to support patient-centered care that is consistent with community standards, and discourage unsafe tapering practices and patient abandonment by providers. Makes steps following lack of improvement in prescribing practices

Section Description - Article 6: Opioid Prescribing Improvement Program

permissible, rather than mandatory, clarifies language, and removes option of mandatory use of the prescription monitoring program.

Paragraph (d) provides a carve-out for prescribers treating patients who are on chronic, high doses of opioids.

Paragraph (e) requires the commissioner to dismiss a prescriber when the prescriber demonstrates that the prescriber's practices are patient-centered and reflect community standards.

Paragraph (f) allows the commissioner to investigate providers whose prescribing practices fall within the applicable opioid sanction standards (current law refers to provider termination and disenrollment standards).

5 Waiver for certain provider groups.

Amends § 256B.0638, by adding subd. 6a. Provides a waiver from opioid prescribing improvement program requirements for prescribers employed by or affiliated with a provider group that has received a waiver from the commissioner; requires the commissioner to develop waiver criteria for provider groups and make waivers available beginning July 1, 2023. Specifies factors for the commissioner to consider and specifies that waivers will be granted on an annual basis.

6 Direction to commissioner of human services; opioid prescribing improvement program sunset.

Requires the commissioner to recommend criteria to provide for a sunset of OPIP, and consult with specified stakeholders. Requires the commissioner to submit recommended sunset criteria to the legislature by January 15, 2024.

Specifies that OPIP expires when the recommended criteria are met, or on December 31, 2024, whichever is sooner.

Article 7: Licensing

This article modifies provisions in the Department of Human Services licensing statutes, chapter 245A, related to license revocation and issuance, immediate suspensions, and involuntary receivership procedures and requirements for when a program's license is revoked or the program may close.

Section Description - Article 7: Licensing

- 1 Grant of license; license extension.**
Amends § 245A.04, subd. 7. Modifies the circumstances under which the commissioner cannot issue a license under chapter 245A or may revoke a license under chapter 245A.
- 2 Immediate suspension of residential programs.**
Adds a subdivision to § 245A.07. Modifies the process for issuing suspensions to licensed residential programs to provide for the continuity of care of recipients of the programs.
- 3 Immediate suspension for program with multiple licensed service sites.**
Adds a subdivision to § 245A.07. Provides that a suspension order for a license holder that operates more than one service site under a single license must be specific to the site or sites where the commissioner has determined a suspension order is required.
- 4 License not issued until license or certification fee is paid.**
Amends § 245A.10, subd. 6. Provides that the commissioner cannot reissue a license or certification until a license or certification fee is paid.
- 5 License not reissued until outstanding debt is paid.**
Adds a subdivision to § 245A.10. Specifies that the commissioner must not reissue a license or certification until the license holder has paid all outstanding debts related to licensing finds or settlement agreements. Outlines notice requirements and expiration provisions.
- 6 Application.**
Amends § 245A.13, subd. 1. Modifies requirements for the commissioner's petition in district court related to receivership of a program; lists circumstances that must be proven by affidavit.
- 7 Appointment of receiver.**
Amends § 245A.13, subd. 2. Adds list of prohibited conduct by a managing agent when the commissioner is appointed as a receiver to operate a program. Requires the commissioner to establish and maintain a list of qualified persons or entities with experience in delivering services and with winding down licensed programs.
- 8 Powers and duties of receiver.**
Amends § 245A.13, subd. 3. Requires an appointed receiver to determine within 18 months after the receivership order whether to close the program or keep it open. Specifies requirements related to program closure and transfer of individuals served, corrective steps that must be made during the receivership, managing agent

Section Description - Article 7: Licensing

- contracting and expenses, and other authority and requirements related to activities during receivership.
- 9 **Termination.**
Amends § 245A. 13, subd. 5. Decreases default time for termination of involuntary receivership from 36 months to 18 months after the date on which it was ordered.
- 10 **Emergency procedure.**
Amends § 245A.13, subd. 6. Shortens timeline from five to two days for a court to order a temporary order for appointment of a receiver. Specifies notice and hearing timelines and requirements.
- 11 **Rate recommendation.**
Amends § 245A.13, subd. 7. Makes clarifying change.
- 12 **Receivership accounting.**
Amends § 245A.13, subd. 9. Allows the commissioner to adjust Medicaid rates and use Medicaid funds and waiver funds for specified purposes, within the approved Medicaid state plan; adds receivership administrative fees to allowable purposes.

Article 8: Direct Care and Treatment

This article establishes the new Department of Direct Care and Treatment, allows the commissioner to lease portions of department property for use in community-based services, temporarily relieves counties from paying the cost of care for committed persons awaiting transfers between state-operated programs, and establishes the Task Force on Priority Admissions to State-Operated Treatment Programs.

Section Description - Article 8: Direct Care and Treatment

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

Makes this section effective January 1, 2025.
- 2 **Applicability.**
Amends § 15.06, subd. 1. Adds the Department of Direct Care and Treatment to the list of departments or agencies.

Section Description - Article 8: Direct Care and Treatment

Makes this section effective January 1, 2025.

3 Additional unclassified positions.

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

Makes this section effective January 1, 2025.

4 Money collected as rent; state property.

Amends § 245.037. Allows the commissioner of human services to lease out any property or portions of property that are not needed for the uses and purposes of the department. Allows the commissioner to lease out any property or portions of property to clients and employees of the department for the provision of community-based services. Includes provisions relating to prices, terms, and conditions for leases under these paragraphs and specifies where money received from such leases will be credited.

5 Anoka-Metro Regional Treatment Center.

Amends § 246.54, subd. 1a. Specifies that between July 1, 2023, and June 30, 2025, the county is not responsible for the cost of care for a person who is committed as a person who has a mental illness and is dangerous to the public and who is awaiting transfer to another state-operated facility or program. Provides a June 30, 2025, expiration date.

6 Community behavioral health hospitals.

Amends § 246.54, subd. 1b. Specifies that between July 1, 2023, and June 30, 2025, the county is not responsible for the cost of care for a person who is committed as a person who has a mental illness and is dangerous to the public and who is awaiting transfer to another state-operated facility or program. Provides a June 30, 2025, expiration date.

7 Title.

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

8 Department of direct care and treatment; establishment.

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

Makes this section effective January 1, 2025.

Section Description - Article 8: Direct Care and Treatment

9 Transition of authority; development of a board.

Proposes coding for § 246C.03.

Subd. 1. Authority until board is developed and powers defined. Specifies that DHS retains authority and responsibilities until legislation is effective that develops the Department of Direct Care and Treatment executive board and defines powers and responsibilities of the board and the department.

Subd. 2. Development of Department of Direct Care and Treatment Board. Requires the commissioner of human services to prepare legislation for the 2024 legislative session necessary to create and implement the new board and department. Limits the board to five members, appointed by the governor. Describes board member qualifications.

Makes this section effective July 1, 2023.

10 Transfer of duties.

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

11 Employee protections for establishing the new Department of Direct Care and Treatment.

Proposes coding for § 246C.05. Outlines requirements for employees to be transferred to the new department from DHS. Describes protections for employees being transferred from DHS to the new department and policies related to time of service. Specifies that all collective bargaining and compensation plans covering DHS employees continue in full force for transferred employees. Makes section effective July 1, 2024.

12 Authorization to build or purchase.

Amends § 252.50, subd. 2. Modifies commissioner authorization related to building, purchasing, or leasing suitable buildings to allow for portions of buildings to be used for state-operated, community-based programs.

13 Task Force on Priority Admissions to State-Operated Treatment Programs.

Establishes the Task Force on Priority Admissions to State-Operated Treatment Programs, to evaluate the impact of the “48-hour rule” on priority admissions on the Department of Human Services, individuals referred for admission and care, and the mental health system statewide. Lists members of the task force; specifies membership appointment deadline and compensation requirements.

Section Description - Article 8: Direct Care and Treatment

Requires the commissioner to convene the task force by August 1, 2023; specifies that the commissioner and the attorney general must serve as co-chairs, that meetings are subject to the Open Meeting Law, and that the commissioner must provide administrative support and staff assistance.

Lists duties of the task force and the data the task force must analyze to assess the impact of the 48-hour rule and develop recommendations. Requires the task force to submit a report to the legislature no later than February 1, 2024; specifies what the report must include.

Provides a June 30, 2024, expiration date for the task force; provides an immediate effective date.

14 Revisor instruction.

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

Makes this section effective July 1, 2023.

Article 9: Appropriations

This article appropriates money in fiscal years 2024 and 2025 from the specified funds for specified purposes to the commissioner of human services, commissioner of management and budget, Council on Disability, and the ombudsman for mental health and developmental disabilities.



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