

Subject Human Services Omnibus Finance Bill

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Article 1: Economic Supports

This article provides for economic cash assistance uniformity, clarifies public assistance statutes, provides for MFIP cost of living increases, increases the SNAP gross income limit, aligns the SNAP employment and training statute with federal policy, allows tribal governments to access the Minnesota food shelf program and the MFIP consolidated fund, requires a runaway and homeless youth report, and requires a long-term homelessness supportive services report.

Section Article 1: Economic Supports

1 Income.

Amends § 119B.011, subd. 15. Modifies the definition of “income” in the chapter of statutes governing child care assistance programs by including nonrecurring income

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over \$60 per quarter unless earmarked and used for the purpose for which it was intended. Makes technical changes.

Provides a March 1, 2023, effective date.

2 Changes in eligibility.

Amends § 119B.025, subd. 4. Clarifies a cross-reference.

Provides a March 1, 2023, effective date.

3 Budgeting and reporting.

Amends § 256D.03, by adding subd. 2b. Requires county agencies to determine eligibility and calculate benefit amounts for GA according to the chapter of statutes governing economic assistance program eligibility and verification.

Provides a March 1, 2023, effective date.

4 SNAP employment and training.

Amends § 256D.051, by adding subd. 20. Requires the commissioner to: (1) implement a SNAP employment and training program that meets federal SNAP employment and training participating requirements; and (2) operate a voluntary SNAP employment and training program. Requires nonexempt SNAP recipients who do not meet federal SNAP work requirements to participate in an employment and training program, unless residing in an area covered by a time-limited waiver. Allows the commissioner to contract with third-party providers for SNAP employment and training services.

Provides an August 1, 2021, effective date.

5 County and tribal agency duties.

Amends § 256D.051, by adding subd. 21. Requires county or tribal agencies that administer SNAP to inform adult SNAP recipients about employment and training services and providers in the recipient's area. Allows county or tribal agencies that administer SNAP to subcontract with a public or private entity approved by the commissioner to provide SNAP employment and training services.

Provides an August 1, 2021, effective date.

6 Duties of commissioner.

Amends § 256D.051, by adding subd. 22. Lists the commissioner's duties related to administering SNAP employment and training services.

Provides an August 1, 2021, effective date.

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7 Recipient duties.

Amends § 256D.051, by adding subd. 23. Requires nonexempt SNAP recipients to meet federal SNAP work requirements to receive SNAP assistance beyond the time limit, unless residing in an area covered by a time-limited waiver.

Provides an August 1, 2021, effective date.

8 Program funding.

Amends § 256D.051, by adding subd. 24. With certain exceptions, requires the commissioner to disburse money allocated for federal SNAP employment and training to counties and tribes that administer SNAP based on a formula determined by the commissioner. Requires the commissioner to disburse federal funds the commissioner receives as reimbursement for SNAP employment and training costs to the state agency, county, tribe, or contracted agency that incurred the costs being reimbursed. Allows the commissioner to reallocate unexpended money to county, tribal, or contracted agencies that demonstrate a need for additional funds.

Provides an August 1, 2021, effective date.

9 Asset limitations for SNAP households.

Amends § 256D.0515. Increases the SNAP gross income limit from 165 percent of the federal poverty guidelines to 200 percent of the federal poverty guidelines.

10 SNAP reporting requirements.

Amends § 256D.0516, subd. 2. Removes language exempting households receiving food benefits under the MFIP waiver from SNAP reporting requirements.

Provides a March 1, 2023, effective date.

11 Distribution of appropriation.

Amends § 256E.34, subd. 1. Allows food shelves affiliated with a federally recognized tribal nation to be eligible for food shelf grants.

12 Prospective budgeting.

Amends § 256I.03, subd. 13. Modifies the definition of “prospective budgeting” under the chapter of statutes governing housing support by cross-referencing a new definition in the chapter of statutes governing economic assistance eligibility and verification.

Provides a March 1, 2023, effective date.

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13 Reports.

Amends § 256I.06, subd. 6. Modifies requirements related to reporting changes in circumstances under the housing support program to conform to new reporting requirements under the chapter of statutes governing economic assistance eligibility and verification.

Provides a March 1, 2023, effective date.

14 Amount of housing support payment.

Amends § 256I.06, subd. 8. Makes a conforming change related to prospective budgeting.

Provides a March 1, 2023, effective date.

15 Countable income.

Amends § 256J.08, subd. 15. Modifies the definition of “countable income” under MFIP to be consistent with requirements under the chapter of statutes governing economic assistance eligibility and verification.

Provides an August 1, 2021, effective date.

16 Prospective budgeting.

Amends § 256J.08, subd. 71. Modifies the definition of “prospective budgeting” in the chapter of statutes governing MFIP by cross-referencing a new definition in the chapter of statutes governing economic assistance eligibility and verification.

Provides a March 1, 2023, effective date.

17 Recurring income.

Amends § 256J.08, subd. 79. Modifies the definition of “recurring income” under MFIP by removing a reference to retrospective budgeting.

Provides a March 1, 2023, effective date.

18 MFIP eligibility requirements.

Amends § 256J.10. Makes income limitations consistent with requirements in the chapter of statutes governing economic assistance eligibility and verification.

Provides an August 1, 2021, effective date.

19 Initial income test.

Amends § 256J.21, subd. 3. Makes changes to MFIP initial eligibility determinations to make the determinations consistent with requirements in the chapter of statutes

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governing economic assistance eligibility and verification. Removes the monthly income test and replaces it with prospective budgeting and specifies the income test is for a six month period.

Provides an August 1, 2021, effective date, except for the changes related to the monthly income test, which are effective March 1, 2023.

20 Income test and determination of assistance payment.

Amends § 256J.21, subd. 4. Makes conforming changes related to prospective budgeting under MFIP.

Provides a March 1, 2023, effective date.

21 Distribution of income.

Amends § 256J.21, subd. 5. Modifies MFIP distribution of income requirements to be consistent with the chapter of statutes governing economic assistance eligibility and verification.

Provides an August 1, 2021, effective date.

22 MFIP transitional standard.

Amends § 256J.24, subd. 5. Requires the commissioner of human services to adjust the cash portion of the MFIP grant for inflation based on the CPI-U for the prior calendar year on October 1 of each year beginning in fiscal year 2022.

23 Late MFIP household report forms.

Amends § 256J.30, subd. 8. Requires the county agency to contact the MFIP caregiver by phone or in writing to acquire the necessary information to complete the MFIP household report form when the agency receives an incomplete form (under current law the county agency must return the incomplete form and clearly state what the caregiver must do to complete the form).

24 Determination of eligibility.

Amends § 256J.33, subd. 1. Makes conforming changes related to prospective budgeting under MFIP. Makes income calculations consistent with requirements under the chapter of statutes governing economic assistance eligibility and verification. Specifies an assistance unit is not eligible when the countable income equals or exceeds the MFIP standard of need or the family wage level for the assistance unit.

Provides a March 1, 2023, effective date, with certain exceptions that are effective August 1, 2021.

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- 25 **Prospective eligibility.**
Amends § 256J.33, subd. 2. Makes conforming changes related to prospective budgeting under MFIP.

Provides a March 1, 2023, effective date.
- 26 **Monthly income test.**
Amends § 256J.33, subd. 4. Makes MFIP income calculations consistent with requirements under the chapter of statutes governing economic assistance eligibility and verification.

Provides an August 1, 2021, effective date.
- 27 **Deemed income from ineligible assistance unit members.**
Amends § 256J.37, subd. 1. Clarifies that SSI or MSA income from an ineligible household member must not be deemed to the household members who are eligible for MFIP.

Provides an August 1, 2021, effective date.
- 28 **Deemed income from parents of minor caregivers.**
Amends § 256J.37, subd. 1b. Clarifies that the income of a stepparent living with a minor caregiver must be counted in determining the minor caregiver's benefits. Removes a cross-reference that is being repealed.

Provides an August 1, 2021, effective date.
- 29 **Earned income of wage, salary, and contractual employees.**
Amends § 256J.37, subd. 3. Makes conforming changes.

Provides a March 1, 2023, effective date.
- 30 **Rental subsidies; unearned income.**
Amends § 256J.37, subd. 3a. Makes conforming changes related to prospective budgeting under MFIP.

Provides a March 1, 2023, effective date.
- 31 **Consolidated fund.**
Amends § 256J.626, subd. 1. Clarifies use of the MFIP consolidated fund by tribes.

Provides a July 1, 2021, effective date.

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32 Property and income limitations.

Amends § 256J.95, subd. 9. Makes income calculations for DWP consistent with requirements under the chapter of statutes governing economic assistance eligibility and verification.

Provides an August 1, 2021, effective date.

33 Earned income.

Amends § 256P.01, subd. 3. Modifies the definition of “earned income” under the chapter of statutes governing economic assistance eligibility and verification.

Provides an August 1, 2021, effective date.

34 Prospective budgeting.

Amends § 256P.01, by adding subd. 9. Defines “prospective budgeting” in the chapter of statutes governing economic assistance eligibility and verification.

Provides a March 1, 2023, effective date.

35 Factors to be verified.

Amends § 256P.04, subd. 4. Removes from the list of items that must be verified the use of nonrecurring income. Makes conforming cross-reference changes.

Provides a March 1, 2023, effective date, except the cross-reference changes are effective July 1, 2021.

36 Recertification.

Amends § 256P.04, subd. 8. Removes the requirement for an interview during the recertification process under the chapter of statutes governing economic assistance eligibility and verification.

Provides an immediate effective date.

37 Exemptions.

Amends § 256P.02, subd. 2. Makes grammatical changes. For individuals who are members of a housing support and MFIP assistance unit, the assistance standard effective January 2020 for a household of one under MFIP shall be counted as income under housing support, and any subsequent increases to unearned income under MFIP are exempt.

38 Income inclusions.

Amends § 256P.06, subd. 3. Clarifies the list of items that must be included in determining the income of an assistance unit and removes nonrecurring income from

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the list in the chapter of statutes governing economic assistance eligibility and verification.

Provides a March 1, 2023, effective date, except the provision related to unemployment insurance income is effective immediately and the provision related to workers' compensation is effective August 1, 2021.

39 Reporting of changes.

Amends § 256P.07. Clarifies language related to exempted programs. Adds language exempting participants who qualify for child care assistance programs (CCAP) from this section, except for the reporting requirements specifically related to CCAP. Requires applicants or assistance units to report certain changes during the application period or by the tenth of the month following the month that the change occurred. Modifies the list of changes that must be reported. Modifies MFIP-specific, CCAP-specific, and MSA-specific reporting requirements. Adds housing support-specific and GA-specific reporting requirements.

Provides a March 1, 2023, effective date.

40 Prospective budgeting of benefits.

Creates § 256P.09.

Subd. 1. Exempted programs. Exempts participants who qualify for CCAP, housing support, and MSA from prospective budgeting of benefits.

Subd. 2. Prospective budgeting of benefits. Requires agencies to use prospective budgeting to calculate an assistance payment amount.

Subd. 3. Income changes. Requires prospective budgeting to be used to determine the amount of the assistance unit's benefit for the following six-month period. Prohibits an increase in income from affecting an assistance unit's eligibility or benefit amount until the next case review. Specifies when decreases in income are effective.

Provides a March 1, 2023, effective date.

41 Six-month reporting.

Creates § 256P.10.

Subd. 1. Exempted programs. Exempts assistance units who qualify for CCAP, MSA, and certain housing support assistance units from six-month reporting.

Subd. 2. Reporting. Paragraph (a) subjects assistance units that qualify for MFIP, assistance units that qualify for GA with earned income of \$100 per month or

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greater, and assistance units that qualify for housing support with earned income of \$100 per month or greater to six month case reviews. Allows the initial reporting period to be shorter than six months in order to align with other program reporting periods.

Paragraph (b) requires assistance units that qualify for MFIP and GA to complete household report forms for redetermination of benefits.

Paragraph (c) requires assistance units that qualify for housing support to complete household report forms to provide information about earned income.

Paragraph (d) requires assistance units that qualify for housing support and also receive MFIP to be subject to the six-month reporting requirements for MFIP, but not for housing support.

Paragraph (e) requires assistance units to submit a household report form in compliance with the requirements of this chapter.

Paragraph (f) allows assistance units to choose to report changes under this section at any time.

Subd. 3. When to terminate assistance. Paragraph (a) requires an agency to terminate benefits when the participant fails to submit the household report form before the end of the six month review period. If the participant submits the household report form within 30 days of the termination of benefits, requires benefits to be reinstated and made available retroactively for the full benefit month.

Paragraph (b) requires an agency to terminate assistance when an assistance unit is determined to be ineligible for assistance according to the chapters of statutes governing GA, housing support, or MFIP.

Provides a March 1, 2023, effective date.

42 **Waivers and modifications.**

Amends Laws 2020, First Special Session ch. 7, § 1, by adding subd. 5. Extends certain DHS program waivers and modifications related to the peacetime emergency declared by the governor in response to the COVID-19 outbreak until December 31, 2021.

43 **Direction to commissioner; long-term homeless supportive services report.**

Paragraph (a) requires the commissioner of human services to produce a report that shows the projects funded under the long-term homeless supportive services program

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and provide a copy of the report to the legislative committees with jurisdiction over services for persons experiencing homelessness by January 15, 2023.

Paragraph (b) requires the report to be updated annually for two additional years and the commissioner to provide copies of the updated reports to the legislative committees with jurisdiction over services for persons experiencing homelessness by January 15, 2024, and January 15, 2025.

44 2021 Report to Legislature on Runaway and Homeless Youth.

Subd. 1. Report development. Exempts the commissioner of human services from preparing the 2023 homeless youth report and instead requires the commissioner to update a 2007 legislative report on runaway and homeless youth using existing data, studies, and analysis provided by state, county, and other entities. Lists the data, studies, and analysis that must be included in the development of the report.

Subd. 2. Key elements; due date. Paragraph (a) requires the report to include three key elements where significant learning has occurred since the 2007 report, including: (1) unique causes of youth homelessness; (2) targeted responses to youth homelessness; and (3) recommendations based on existing reports and analysis on what is needed to end youth homelessness. Paragraph (b) lists other data that must be included in the report. Paragraph (c) requires the commissioner to consult with community-based providers of homeless youth services and other stakeholders to complete the report and to submit the report to the legislative committees with jurisdiction over youth homelessness by December 15, 2022.

45 Repealer.

Paragraph (a) repeals Minn. Stat. §§ 256D.051, subds. 1 (SNAP employment and training program), 1a (notices and sanctions), 2 (county agency duties), 2a (duties of commissioner), 3 (participant duties), 3a (requirement to register work), 3b (orientation), 6b (federal reimbursement), 6c (program funding), 7 (registrant status), 8 (voluntary quit), 9 (subcontractors), and 18 (work experience placements); and 256D.052, subd. 3 (participant literacy transportation costs); and 256J.21, subds. 1 (income inclusions) and 2 (income exclusions), effective August 1, 2021.

Paragraph (b) repeals Minn. Stat. §§ 256J.08, subds. 10 (budget month), 53 (lump sum), 61 (monthly income test), 62 (nonrecurring income), 81 (retrospective budgeting), and 83 (significant change); 256J.30, subds. 5 (monthly MFIP household reports), 7 (due date of MFIP household report form), and 8 (late MFIP household report forms); 256J.33, subds. 3 (retrospective eligibility), 4 (monthly income test), and 5 (when to terminate assistance); 256J.34, subds. 1 (prospective budgeting), 2 (retrospective budgeting), 3 (additional uses of retrospective budgeting), and 4

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(significant change in gross income); and 256J.37, subd. 10 (treatment of lump sums), effective March 1, 2023.

Article 2: Child Protection

This article modifies Northstar Care for Children payment agreement and offset requirements, adds sex trafficking language to various statutes relating to child protection and maltreatment reporting, makes clarifying changes, and adds a noncaregiver sex trafficking assessment to the possible local welfare agency responses to a report of child maltreatment alleging sex trafficking by someone who is not a child's caregiver.

Section Article 2: Child Protection

- 1 Negotiation of agreement.**
Amends § 256N.25, subd. 2. Removes language relating to offsets for Northstar kinship and adoption payments.
- 2 Renegotiation of agreement.**
Amends § 256N.25, subd. 3. Removes language relating to circumstances that require the renegotiation of Northstar kinship or adoption assistance agreements.
- 3 Child income or income attributed to the child.**
Amends § 256N.26, subd. 11. Removes language requiring consideration of income and resources attributable to the child during the negotiation process for Northstar kinship and adoption payment agreements.
- 4 Treatment of retirement survivor's disability insurance, veteran's benefits, railroad retirement benefits, and black lung benefits.**
Amends § 256N.26, subd. 13. Removes language requiring benefits paid to a child to be considered as offsets to Northstar payment amounts, and removes related language detailing how certain benefit payments must be considered.
- 5 Agency and court notice to tribes.**
Amends § 260.761, subd. 2. Adds "noncaregiver sex trafficking assessment" to provision requiring local social services agency notification provided to an Indian child's tribe. Specifies that notification must be made within seven days of receiving information that the child may be an Indian child; makes clarifying changes.

Section Article 2: Child Protection

- 6 Egregious harm.**
Amends § 260C.007, subd. 14. Amends the definition of “egregious harm” by making clarifying changes and adding sex trafficking to conduct that constitutes egregious harm.
- 7 Policy.**
Amends § 260E.01. Adds a noncaregiver sex trafficking assessment to the list of state child protection policies and carves out report alleging sex trafficking by a noncaregiver sex trafficker from sexual abuse or substantial child endangerment investigation requirement.
- 8 Establishment of team.**
Amends § 260E.02, subd. 1. Adds representatives of agencies providing specialized services or responding to youth who experience or are at risk of experiencing sex trafficking or sexual exploitation, to the multidisciplinary child protection team.
- 9 Noncaregiver sex trafficker.**
Amends § 260E.03 by adding subd. 15a. Defines “noncaregiver sex trafficker.”
- 10 Noncaregiver sex trafficking assessment.**
Amends § 260E.03 by adding subd. 15b. Defines “noncaregiver sex trafficking assessment,” and specifies when the local welfare agency must perform such an assessment.
- 11 Substantial child endangerment.**
Amends § 260E.03, subd. 22. Modifies definition of “substantial child endangerment” by adding sex trafficking and making clarifying changes.
- 12 Sexual abuse.**
Amends § 260E.14, subd. 2. Makes clarifying change.
- 13 Law enforcement.**
Amends § 260E.14, subd. 5. Makes clarifying changes; adds a report alleging child sex trafficking to circumstances under which agencies must coordinate responses.
- 14 Local welfare agency.**
Amends § 260E.17, subd. 1. Adds noncaregiver sex trafficking assessment to the local welfare agency responses; makes clarifying changes. Requires the local welfare agency to conduct a noncaregiver sex trafficking assessment when a maltreatment report alleges sex trafficking by a noncaregiver; requires an immediate investigation if there is reason to believe a caregiver, parent, or household member engaged in child sex trafficking or other conduct warranting an investigation.

Section Article 2: Child Protection

- 15 **Notice to child’s tribe.**
Amends § 260E.18. Makes clarifying change; adds noncaregiver sex trafficking assessment to tribal notice section.
- 16 **Face-to-face contact.**
Amends § 260E.20, subd. 2. Makes clarifying changes; exempts noncaregiver sex trafficking assessments from requirements regarding face-to-face contact, informing or interviewing the alleged offender, and the alleged offender’s opportunity to make a statement.
- 17 **Determination after family assessment or a noncaregiver sex trafficking assessment.**
Amends § 260E.24, subd. 2. Adds noncaregiver sex trafficking assessment to subdivision regarding local welfare agency determinations after assessments.
- 18 **Notification at conclusion of family assessment or a noncaregiver sex trafficking assessment.**
Amends § 260E.24, subd. 7. Adds noncaregiver sex trafficking assessment to subdivision regarding notification of a parent or guardian at the conclusion of an assessment.
- 19 **Following a family assessment or a noncaregiver sex trafficking assessment.**
Amends § 260E.33, subd. 1. Specifies that administrative reconsideration does not apply to a noncaregiver sex trafficking assessment.
- 20 **Data retention.**
Amends § 260E.35, subd. 6. Adds noncaregiver sex trafficking assessment cases to data retention requirements.

Article 3: Child Protection Policy

This article makes clarifying changes, adds definitions, and makes other changes related to compliance with the federal Family First Prevention Services Act, in chapters 260C, 260D, and 260E, regarding child placement in qualified residential treatment programs, voluntary foster care for treatment, and other residential settings. The article also adds definitions to the human services licensing chapter, adds a section governing certification of qualified residential treatment programs and other residential settings, and increases the age to 13 years old for children in need of protection or services who commit a juvenile petty offense or delinquent act. The article also expands who is mandated to report known or suspected child maltreatment, modifies face-to-face contact requirements, modifies reporting requirements for

prenatal substance use, and adds a requirement for parents or legal guardians to be notified of and participate in contested case hearings related to appeals of child maltreatment determinations.

Section Article 3: Child Protection Policy

1 Admission criteria.

Amends § 245.4885, subd. 1. Modifies terminology; clarifies that the validated tool used to determine a child's need for out-of-home care may be the tool approved for the child's assessment for placement in a qualified residential treatment program, if the juvenile screening team recommended such placement.

Makes this section effective September 30, 2021.

2 At risk of becoming a victim of sex trafficking or commercial sexual exploitation.

Amends § 245A.02 by adding subd. 3c. Adds definition of a youth who is "at risk of becoming a victim of sex trafficking or commercial sexual exploitation" to the human services licensing chapter.

Makes this section effective the day following final enactment.

3 Children's residential facility.

Amends § 245A.02 by adding subd. 4a. Adds definition of "children's residential facility" to human services licensing chapter.

Makes this section effective the day following final enactment.

4 Foster family setting.

Amends § 245A.02 by adding subd. 6d. Adds definition of "foster family setting" to human services licensing chapter.

Makes this section effective the day following final enactment.

5 Foster residence setting.

Amends § 245A.02 by adding subd. 6e. Adds definition of "foster residence setting" to human services licensing chapter.

Makes this section effective the day following final enactment.

6 Trauma.

Amends § 245A.02 by adding subd. 18a. Adds definition of "trauma" to human services licensing chapter.

Makes this section effective the day following final enactment.

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- 7 Victim of sex trafficking or commercial sexual exploitation.**
Amends § 245A.02 by adding subd. 23. Adds definition of “victim of sex trafficking or commercial sexual exploitation” to human services licensing chapter.

Makes this section effective the day following final enactment.
- 8 Youth.**
Amends § 245A.02 by adding subd. 24. Adds definition of “youth” to human services licensing chapter.

Makes this section effective the day following final enactment.
- 9 First date of working in a facility or setting; documentation requirements.**
Amends § 245A.041 by adding subd. 6. Adds requirements for children’s residential facility and foster residence settings license holder documentation of the first date of work for a background study subject.

Makes this section effective August 1, 2021.
- 10 Residential program certifications for compliance with the Family First Prevention Services Act.**
Proposes coding for § 245A.25. Adds section establishing certification requirements for children’s residential facilities or child foster residence settings to receive federal Title IV-E funding; outlines the types of facilities and program certifications, certification requirements, trauma-informed care requirements, monitoring and inspection processes, decertification processes, and variances.

Makes this section effective the day following final enactment.
- 11 American Indian child welfare projects.**
Amends § 256.01, subd. 14b. Adds tribal host contract language.

Makes this section effective the day following final enactment.
- 12 Contracting within and across county lines; lead county contracts; lead tribal contracts.**
Amends § 256.0112, subd. 6. Makes clarifying changes; adds language relating to lead tribal contracts for initiative tribes.

Makes this section effective the day following final enactment.

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- 13 Child in need of protection or services.**
Amends § 260C.007, subd. 6. Amends definition to include children who commit a juvenile petty offense or delinquent act before becoming 13 years old, increased from 10 years old.
- 14 Qualified individual.**
Amends § 260C.007, subd. 26c. Clarifies who may be a “qualified individual” for purposes of completing a child’s assessment for placement in a qualified residential treatment program, when the Indian Child Welfare Act applies to a child.
- 15 Sexually exploited youth.**
Amends § 260C.007, subd. 31. Adds federal definition of commercial sexual exploitation to definition of “sexually exploited youth.”

Makes this section effective September 30, 2021.
- 16 Juvenile treatment screening team.**
Amends § 260C.157, subd. 2. Clarifies sexual exploitation language and makes other clarifying changes; requires the responsible social services agency to obtain recommendations from the child’s tribe on which individuals to include on the team, if applicable.

Makes this section effective September 30, 2021.
- 17 Out-of-home placement plan update.**
Amends § 260C.212, subd. 1a. Specifies that the responsible social services agency must file its report seeking the court's approval of the child's placement at a qualified residential treatment program; makes clarifying changes throughout.

Makes this section effective September 30, 2021.
- 18 Protecting missing and runaway children and youth at risk of sex trafficking or commercial sexual exploitation.**
Amends § 260C.212, subd. 13. Adds commercial sexual exploitation terminology; makes clarifying changes.

Makes this section effective September 30, 2021.
- 19 Payment for residential placements.**
Amends § 260C.4412. Specifies that a lead county contract is not required to establish foster care maintenance payments for foster residence settings. Requires foster maintenance payments to be consistent with provisions in chapter 256N.

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20 Successful transition to adulthood.

Amends § 260C.452.

Subd. 1. Scope and purpose. Defines “youth” for purposes of this section; makes clarifying changes. Adds clauses (4), (5), and (6) specifying circumstances that would make youth eligible for services under this section. Adds paragraph (c), specifying the purpose of the section. Adds paragraph (d) specifying that the responsible social services agency may provide case management and support until a youth is 23 years of age.

Subd. 1a. Case management services. Outlines what case management services include for successful transition to adulthood under this section.

Subd. 2. Independent living plan. Makes clarifying changes.

Subd. 3. Notification. Strikes subdivision.

Subd. 4. Administrative or court review of placements. Modifies terminology and references, makes clarifying changes.

Subd. 5. Notice of termination of social services. Modifies terminology and references; removes paragraphs relating to termination of foster care and court review of terminations. Adds paragraph relating to case management service termination, notice, and appeal rights.

Makes this section effective July 1, 2021.

21 Requirements for the qualified individual’s assessment of the child for placement in a qualified residential treatment program.

Amends § 260C.704. Provides exception to requirement for an assessment prior to placement in a qualified residential treatment program for immediate placements in crisis situations; requires an assessment within 30 days of the child’s placement. Requires that a level of care determination be shared with the qualified individual and the juvenile treatment screening team. Modifies requirements for distributing and filing completed qualified residential treatment facility placement assessments. Modifies placement and referral requirements based on qualified individual recommendations.

Makes this section effective September 30, 2021.

22 Family and permanency team requirements.

Amends § 260C.706. Modifies cross-reference and makes clarifying changes.

Makes this section effective September 30, 2021.

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23 Out-of-home placement plan for qualified residential treatment program placements.

Amends § 260C.708. Modifies cross-reference and terminology; adds required content for a child's out-of-home placement plan when the responsible social services agency places a child in a qualified residential treatment program; adds placement preference requirements.

Makes this section effective September 30, 2021.

24 Court approval requirements.

Amends § 260C.71 by adding subdivisions 1, 2, 3, 4, and 5.

Subd. 1. Judicial review. Requires placement in a qualified residential treatment facility in specified circumstances. Requires responsible social services agency to obtain a court order within 60 days of placement, that finds that the placement is appropriate and meets the child's needs.

Subd. 2. Qualified residential treatment program; agency report to court. Requires a written report to be filed with the court within 35 days of the child's placement; specifies required contents of the written report. Requires the agency to inform a child who is 10 or older, and the child's parent, of the court review requirements and of their right to submit information to the court.

Subd. 3. Court hearing. Outlines when a court must hold a hearing and when the court has discretion to hold a hearing.

Subd. 4. Court findings and order. Adds clarifying language; adds requirements for when a court disapproves of a child's placement in a qualified residential treatment program.

Subd. 5. Court review and approval not required. Specifies circumstances under which a court hearing and order are not required. Under these circumstances, requires the responsible social services agency to make a plan for the child's placement and file the assessment determination with the court at the next required hearing.

Makes this section effective September 30, 2021.

25 Ongoing reviews and permanency hearing requirements.

Amends § 260C.712. Adds cross-references to 260D sections; adds requirement for the responsible social services agency to submit compelling reasons for placing a child in a qualified residential treatment program in another state, and reasons the child's needs cannot be met by an in-state placement.

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Makes this section effective September 30, 2021.

26 Review of extended qualified residential treatment program placements.

Amends § 260C.714. Modifies reference.

Makes this section effective September 30, 2021.

27 Child in voluntary foster care for treatment.

Amends § 260D.01. Makes clarifying changes; adds paragraph specifying that chapter 260D includes requirements for child placement in a qualified residential treatment program. Adds paragraphs specifying that ongoing planning for a child includes engaging with the responsible social services agency to ensure that the family and permanency team makeup is appropriate, that the agency must consult with the child if over age 14, and the child's parent or legal guardian regarding members of the family and permanency team and engaging in a relative search.

Makes this section effective September 30, 2021.

28 Administrative review of child in voluntary foster care for treatment.

Amends § 260D.05. Adds reference to requirements under section 260C.712.

Makes this section effective September 30, 2021.

29 Agency report to court; court review.

Amends § 260D.06, subd. 2. Adds reference to requirements under section 260C.712.

Makes this section effective September 30, 2021.

30 Required permanency review hearing.

Amends § 260D.07. Adds reference to requirements under section 260C.712.

Makes this section effective September 30, 2021.

31 Annual review.

Amends § 260D.08. Adds reference to requirements under section 260C.712.

Makes this section effective September 30, 2021.

32 Successful transition to adulthood for youth in voluntary placement.

Amends § 260D.14. Modifies terminology, makes clarifying and conforming changes. Lowers the age for review of transition to adulthood from 17 to 14.

Section Article 3: Child Protection Policy

Makes this section effective September 30, 2021.

33 Mandatory reporters.

Amends § 260E.06, subd. 1. Adds an owner, administrator, or employee who is 18 or older of a youth recreation program or other organization that provides services or activities requiring face-to-face contact with and supervision of children, to the list of persons who are required to report known or suspected maltreatment in the preceding three years.

34 Face-to-face contact.

Amends § 260E.20, subd. 2. Allows for face-to-face contact in response to a report alleging sexual abuse or substantial child endangerment to be postponed for up to five calendar days, if the child is residing in a location that is confirmed to restrict contact with the alleged offender, or the local welfare agency is pursuing a court order for the child's caregiver to produce the child for an interview.

35 Reports required.

Amends § 260E.31, subd. 1. Removes the requirement for health care and social services professionals to report a woman's use of a controlled substance for a nonmedical purpose or excessive consumption of alcohol during pregnancy to the local welfare agency, if the professional is providing or collaborating with other professionals to provide the woman with prenatal care, postpartum care, or other health care services, including care of the woman's infant. Adds a clause to reinstate the requirement if the woman does not continue to receive regular care.

36 Notification of contested case hearing.

Amends § 260E.33 by adding subd. 6a. Specifies that, in a contested case hearing appealing a licensing sanction or disqualification related to a maltreatment determination, the administrative law judge must inform the maltreated child's parent, legal custodian, or guardian of the right to file a written statement and the right to attend and participate in the hearing. Specifies notice requirements, requirements for the written statement, and procedures for providing the address of a parent, legal custodian, or guardian.

37 Sex trafficking and sexual exploitation training requirement.

Amends § 260E.36 by adding subd. 1b. Adds requirement for all child protection workers to complete training on sex trafficking and sexual exploitation of children and youth.

Makes this section effective July 1, 2021.

Section Article 3: Child Protection Policy

- 38 **Direction to the commissioner; qualified residential treatment transition supports.**
Directs the commissioner of human services to consult with stakeholders to develop policies related to aftercare supports for transitions from qualified residential treatment programs to reunification with a child’s parent or guardian, by December 31, 2022.
- 39 **Revisor instruction.**
Instructs the revisor to add a headnote in chapter 260C.

Article 4: Behavioral Health

This article includes provisions related to behavioral health provider workforce and cultural diversity requirements, and modifies provisions relating to children’s residential treatment placement. The article also modifies and updates provisions relating to certified community behavioral health clinics (CCBHCs), substance use disorder (SUD) treatment enhanced rates, the Opiate Epidemic Response Advisory Council membership and funding, and mental health case management services. The article also removes the requirement for an assessment of need for a new SUD treatment program, creates a SUD community of practice, requires certain SUD programs to enroll in the federal demonstration project, and includes several directions to the commissioner, including directions to develop sober housing program recommendations, SUD treatment provider paperwork reduction, and a SUD treatment rate restructure analysis.

Section Article 4: Behavioral Health

- 1 **Mental health services.**
Adds subd. 3c to § 62A.15. Requires a group policy or subscriber contract that covers mental health treatment or services provided by a mental health professional to also cover treatment and services provided by a clinical trainee practicing in compliance with the medical assistance requirements for covering services provided by a clinical trainee.

Makes this section effective January 1, 2022, and applicable to policies and contracts offered, issued, or renewed on or after that date.
- 2 **Denial of benefits.**
Amends § 62A.15, subd. 4. Adds mental health clinical trainee to provision prohibiting denial of benefits.

Makes this section effective January 1, 2022.

Section Article 4: Behavioral Health

3 Definitions.

Amends § 144.1501, subd. 1. Adds definition of alcohol and drug counselor to the section governing the health professional education loan forgiveness program.

4 Creation of account.

Amends § 144.1501, subd. 2. Authorizes the commissioner of health to provide loan forgiveness for alcohol and drug counselors who agree to practice in designated rural areas.

5 Eligibility.

Amends § 144.1501, subd. 3. Includes persons enrolled in a training or education program to become an alcohol or drug counselor in the list of persons eligible to participate in the health professional education loan forgiveness program.

6 Members.

Amends § 148.90, subd. 2. For the Board of Psychology, requires that, at the time of their appointments, at least two members of the board reside outside of the 11-county metropolitan area, and at least two members are members of a community of color or underrepresented community.

7 Continuing education.

Amends § 148.911. Requires at least four of the required continuing education hours for licensed psychologists to be on increasing knowledge, understanding, self-awareness, and skills to competently address the needs of clients from diverse backgrounds. Lists topics for continuing education.

Makes this section effective July 1, 2023.

8 Creation.

Amends § 148B.30, subd. 1. For the Board of Marriage and Family Therapy, requires that, at the time of their appointments, at least two members of the board reside outside of the 11-county metropolitan area, and at least two members are members of a community of color or underrepresented community.

9 Duties of the board.

Amends § 148B.31. Requires at least four of the required continuing education hours for licensed marriage and family therapists to be on increasing knowledge, understanding, self-awareness, and skills to serve clients from diverse backgrounds. Lists topics for continuing education.

Makes this section effective July 1, 2023.

Section Article 4: Behavioral Health

10 Board of Behavioral Health and Therapy.

Amends § 148B.51. For the Board of Behavioral Health and Therapy, requires that, at the time of their appointments, at least three members of the board reside outside of the 11-county metropolitan area, and at least three members are members of a community of color or underrepresented community.

11 Continuing education.

Requires at least four of the required continuing education hours for licensed professional counselors and licensed professional clinical counselors to be on increasing knowledge, understanding, self-awareness, and skills to serve clients from diverse backgrounds. Lists topics for continuing education.

Makes this section effective July 1, 2023.

12 Cultural responsiveness.

Amends § 148E.101 by adding subd. 7f. Defines “cultural responsiveness” for purposes of the Board of Social Work chapter.

13 Total clock hours required.

Amends § 148E.130, subd. 1. Adds four hours of cultural responsiveness training to required clock hours for social work continuing education.

14 New content clock hours required effective July 1, 2021.

Amends § 148E.130 by adding subd. 1b. Adds effective dates for social work continuing education requirements.

15 Mental health practitioner.

Amends § 245.462, subd. 17. Expands the definition of “mental health practitioner” to include a student who is completing a practicum or internship as part of a formal undergraduate or graduate social work, psychology, or counseling program.

16 Individual treatment plans.

Amends § 245.4876, subd. 3. Removes language establishing different administrative review requirements for individual treatment plans for children placed in residential facilities.

17 Availability of residential treatment services.

Amends § 245.4882, subd. 1. Provides 90-day review for a child’s length of stay in residential treatment.

Section Article 4: Behavioral Health

18 Transition to community.

Amends § 245.4882, subd. 3. Adds requirements for discharge planning content and timelines for children in residential treatment.

19 Admission criteria.

Amends § 245.4885, subd. 1. Makes clarifying changes; specifies that the county board, rather than the responsible social services agency, will determine the appropriate level of care for a child when county funds are used to pay for the child's residential treatment; makes corresponding changes. Deletes references to treatment foster care settings and functional assessments; requires that the child and the child's family are invited to level of care determination or decision making meetings and allows them to invite others. Requires the level of care determination, placement decision, and service recommendations to be made available to the child's family, as appropriate.

Makes this section effective September 30, 2021.

20 Establishment and authority.

Amends § 245.4889, subd. 1. Expands services eligible for children's mental health grant funding to include, as part of mental health services for people from cultural and ethnic minorities, supervision of clinical trainees who are Black, indigenous, or people of color providing services in certain clinics. Also adds to list of eligible services mental health services based on traditional healing practices.

21 Culturally Informed and Culturally Responsive Mental Health Task Force.

Proposes coding for § 245.4902. Establishes the Culturally Informed and Culturally Responsive Mental Health Task Force; lists membership, compensation, reimbursement, meeting, and report requirements; specifies a January 1, 2025 expiration date.

22 Certified community behavioral health clinics.

Amends § 245.735, subd. 3. Updates CCBHC certification process language; requires the commissioner to consult with CCBHC stakeholders before making changes to the certification process. Specifies that CCBHCs must directly provide most of the listed services, but allows coordination with another entity to provide some services; establishes criteria for a CCBHC to contract with another entity to provide services.

23 Information systems support.

Amends § 245.735, subd. 5. Makes clarifying change.

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24 Demonstration entities.

Amends § 245.735 by adding subd. 6. Allows the commissioner to continue to operate the CCBHC demonstration program if federal funding remains available. Requires the commissioner to align the demonstration program requirements with the requirements for CCBHCs receiving MA reimbursement. Prohibits a CCBHC from participating in both the demonstration and the CCBHC MA benefit.

25 Change of ownership process.

Amends § 245A.043, subd. 3. Removes reference to rule relating to the assessment of need for substance use disorder treatment programs.

26 Contents of application.

Amends § 245F.04, subd. 2. Removes reference to rule relating to the assessment of need for substance use disorder treatment programs.

27 Application.

Amends § 245G.03, subd. 2. Adds requirement for an applicant for SUD treatment program licensure to notify the county human services director in writing of the applicant's intent to open a new treatment program. Specifies what the notification must include. Allows the county human services director to submit a written statement, with documented rationale, to the commissioner of human services regarding the county's support of or opposition to the new treatment program opening. Requires the commissioner to consider the county's written statement when deciding whether to issue a license.

28 Culturally specific or culturally responsive program.

Amends § 254B.01, subd. 4a. Modifies the definition of "culturally specific program" for purposes of chapter 254B, expanding it to include culturally responsive programs. Requires attestation that program requirements are satisfied and adds requirements that must be met for a program to qualify under the definition.

Makes this section effective January 1, 2022.

29 Disability responsive program.

Amends § 254B.01 by adding subd. 4b. Adds definition of "disability responsive program."

Makes this section effective January 1, 2022.

30 Rate requirements.

Amends § 254B.05, subd. 5. Removes language establishing higher rates for certain types of substance use disorder treatment services and providers. Adds "culturally

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responsive” terminology and disability responsive programs. Updates terminology and modifies telehealth requirements to align with requirements for medical assistance coverage of telehealth. Specifies that payment for outpatient services is limited to six hours per day, or 30 hours per week without prior authorization from the commissioner.

Makes this section effective January 1, 2022, or upon federal approval, whichever is later, except paragraph (e), which is effective July 1, 2021.

31 Culturally specific or culturally responsive program and disability responsive program provider rate increase.

Amends § 254B.12 by adding subd. 4. Provides a 5% rate increase for substance use disorder treatment services provided by culturally specific or culturally responsive programs, or disability responsive programs, on or after January 1, 2022.

Makes this section effective January 1, 2022, or upon federal approval, whichever is later.

32 Substance use disorder community of practice.

Proposes coding for § 254B.151. Establishes a substance use disorder of community of practice; specifies the purposes of the community of practice, required participants, meeting and compensation requirements, and duties of the community of practice.

33 Membership.

Amends § 256.042, subd. 2. Increases the number of members on the Opiate Epidemic Response Advisory Council; increases the number of members representing Indian tribes and expands representation to each of Minnesota’s tribal nations.

34 Grants.

Amends § 256.042, subd. 4. Modifies the report on the Opiate Epidemic Response Advisory Council’s proposed grants from the upcoming fiscal year to the upcoming calendar year; modifies month for the report; increases allowable grant amount percentage for administration from three to ten percent.

35 Appropriations from fund.

Amends § 256.043, subd. 3. Specifies that grant funds and funds for county and tribal social services agencies from the opiate epidemic response fund will be distributed on a calendar year basis beginning in fiscal year 2022.

36 Certified community behavioral health clinic services.

Amends § 256B.0625, subd. 5m. Updates language to require CCBHC reimbursement on a per-visit basis, and to include incentive payments; establishes requirements for

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the prospective payment system for CCBHC reimbursement, requires a phase-out of CCBHC wrap payments, and requires updates to rates. Establishes requirements for the CCBHC quality incentive payment program. Specifies process for claims to managed care plans for CCBHC services.

37 Mental health case management.

Amends § 256B.0625, subd. 20. Modifies payment requirements for mental health case management provided by vendors who contract with counties and tribes.

38 Provider participation.

Amends § 256B.0759, subd. 2. Specifies that outpatient substance use disorder treatment providers may participate in the substance use disorder demonstration project. Requires licensed residential treatment programs, withdrawal management programs, and out-of-state residential treatment programs receiving payment under medical assistance to enroll as demonstration project providers by January 1, 2022. Provides a six-month extension for providers who demonstrate extraordinary circumstances; specifies that programs that do not meet the requirements by July 1, 2023 are ineligible for payment.

Allows tribally licensed programs to participate in the demonstration project and requires DHS to consult with tribal nations.

Specifies rate enhancement applicability and requirements and provides for recoupment by the commissioner.

Makes this section effective July 1, 2021, or upon federal approval, whichever is later; makes paragraphs (f) and (g) effective the day following final enactment.

39 Provider payment rates.

Amends § 256B.0759, subd. 4. Adds reference to provider standards and allows the commissioner to temporarily suspend payments if statutory requirements are not met. Increases payment rates for certain services.

Makes this section effective July 1, 2021, or upon federal approval, whichever is later; makes the rate increase changes effective January 1, 2022.

40 Data and outcome measures; public posting.

Amends § 256B.0759 by adding subd. 6. Requires that SUD demonstration project data and outcome measures from the previous calendar year be posted publicly on the DHS website.

Makes this section effective July 1, 2021.

Section Article 4: Behavioral Health

- 41 Federal approval; demonstration project extension.**
Amends § 256B.0759 by adding subd. 7. Requires the commissioner to seek a five-year extension of the SUD demonstration project and to receive enhanced federal participation.

Makes this section effective July 1, 2021.
- 42 Demonstration project evaluation work group.**
Amends § 256B.0759 by adding subd. 8. Requires the commissioner to assemble a work group of relevant stakeholders to evaluate the long-term sustainability of improvements to quality or access to SUD treatment services caused by participation in the demonstration project.

Makes this section effective July 1, 2021.
- 43 Case management services.**
Proposes coding for § 256B.076. Outlines state policy for medical assistance coverage of targeted case management services, subject to federal approval. Requires DHS, tribes, counties, providers, and individuals served to propose further modifications to targeted case management services.

Requires the commissioner to develop and implement a statewide rate methodology for any county that subcontracts targeted case management services, paid by medical assistance, to a vendor. Lists what the commissioner must include when setting the rate methodology. Allows a county to request authorization of a rate based on a lower caseload size in certain circumstances; outlines what must be included in such a request.

Sets caseload size limits for county-subcontracted providers of targeted case management services.
- 44 Payment for targeted case management.**
Amends § 256B.0924, subd. 6. Modifies payment provisions for targeted case management services provided by county-contracted vendors to reference requirements in the new section created in this bill. Removes negotiation provision.
- 45 Medical assistance reimbursement of case management services.**
Amends § 256B.094, subd. 6. Modifies payment provisions for case management services provided by county-contracted vendors to reference requirements in the new section created in this bill. Requires payment for case management services provided by tribe-contracted vendors to be a monthly rate negotiated by the tribe. Removes negotiation language.

Section Article 4: Behavioral Health

46 Direction to the commissioner; adult mental health initiatives reform.

Requires the commissioner of human services to ensure continued funding for certain regions when reforming the adult mental health initiative funding formula. Requires the commissioner to notify the legislature upon finalization of the adult mental health initiatives reform.

47 Direction to the commissioner; alternative mental health professional licensing pathways work group.

Requires the commissioners of health and human services to convene a work group to:

- identify barriers to licensure in mental health professions;
- collect data on the number of individuals graduating from educational programs but not passing licensing exams;
- evaluate the feasibility of alternative pathways for licensure in mental health professions; and
- consult with national behavioral health testing entities.

Provides for reimbursement for expenses for mental health providers participating in the work group. Requires a report to the legislature on the work group's recommendations by February 1, 2023.

48 Direction to the commissioner; children's mental health residential treatment work group.

Requires the commissioner of human services to organize a work group, in consultation with specified entities and individuals, to develop recommendations on funding room and board costs for children's mental health residential treatment and how to address systemic barriers in transitioning children into the community. Requires a report to the legislature with recommendations by February 15, 2022.

49 Direction to the commissioner; culturally and linguistically appropriate services.

Requires the commissioner of human services to develop a statewide implementation and transition plan for culturally and linguistically appropriate services (CLAS) national standards, in consultation with listed stakeholders. Requires the commissioner to consult with individuals who are Black, indigenous, people of color, and linguistically diverse in developing these plans.

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50 Direction to the commissioner; rate recommendations for opioid treatment programs.

Directs the commissioner of human services to evaluate the rate structure for licensed opioid treatment programs, and report to the legislature on rate structure recommendations and proposed legislation by October 1, 2021.

51 Direction to the commissioner; sober housing program recommendations.

Requires the commissioner, in consultation with stakeholders, to develop recommendations on increasing access to sober housing programs, promoting person-centered practices and cultural responsiveness in these programs, possible oversight measures, and providing consumer protections for individuals in the programs. Lists stakeholders that must be involved in developing the recommendations and requires a report to the legislature by March 1, 2022.

52 Direction to the commissioner; substance use disorder treatment paperwork reduction.

Directs the commissioner to consult with relevant stakeholders to develop, assess, and recommend systems improvements in order to minimize paperwork for licensed substance use disorder programs. Requires the commissioner of health to make necessary information available, and requires MN.IT to provide advance consultation and implementation of needed systems changes. Requires the commissioner to contract with a vendor to develop the improvements, to begin implementing the improvements by December 15, 2022, and to submit a report to the legislature.

53 Direction to the commissioner; mental health cultural community continuing education.

Requires the commissioner of health to develop a grant program to provide the necessary continuing education for mental health professionals who are members of communities of color or underrepresented communities, working for community mental health providers, to become supervisors.

54 Mental health professional licensing supervision.

Requires the mental health professional licensing boards to develop recommendations on:

- providing certification of individuals across multiple mental health professions to serve as supervisors;
- adopting a single, common supervision certificate for all mental health professional education programs;
- determining ways for internship hours to be counted toward licensure; and

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- determining ways for practicum hours to count toward supervisory experience.

Requires a report to the legislature on the recommendations by February 1, 2023.

55 Substance use disorder treatment rate restructure analysis.

Requires the commissioner of human services to issue a request for proposals by January 1, 2022, for frameworks and modeling of substance use disorder rates. Requires a report to the legislature by January 15, 2023.

56 Revisor instruction.

Instructs the revisor to modify a head note related to certified community behavioral health clinic services.

57 Repealer.

Repeals sections related to mental health case management, the Excellence in Mental Health demonstration project, and the definition of “responsible social services agency” in the Children’s Mental Health Act. Repeals rules requiring treatment program assessment of need. Specifies effective dates for repealers.

Article 5: Direct Care and Treatment

This article adds language to specify that county payments for the cost of care at state-operated community-based behavioral health hospitals apply to care at such hospitals for both adults and children.

Article 6: Disability Services and Continuing Care for Older Adults

This article establishes acuity-based customized living rates and closes the corporate foster care licensing loophole, provides for phase II of the waiver reimagine project, establishes a customized living moratorium for the BI and CADI waivers, modifies the Disability Waiver Rate System (DWRS), includes tribes in the cost-neutral housing support allocation option, provides rate increases for the direct support services workforce, provides for nursing facility reassessment and consumer improvements, provides for the Governor’s Council on an Age-Friendly Minnesota, and provides for PCA rate reform.

Section Article 6: Disability Services and Continuing Care for Older Adults

1 Resident assessment schedule.

Amends § 144.0724, subd. 4. Modifies nursing facility resident assessments for purposes of establishing case mix classifications for MA reimbursement.

2 Licensing moratorium.

Amends § 245A.03, subd. 7. Adds an exception to the corporate foster care licensing moratorium for new foster care licenses or community residential setting licenses for people receiving customized living or 24-hour customized living services under the BI or CADI waivers and residing in the customized living setting before July 1, 2022. Allows a customized living service provider to rebut the presumption that a license is required by seeking a reconsideration of the commissioner's determination. Makes the commissioner's disposition of a request for reconsideration final and not subject to appeal. Makes this exception available until June 30, 2023. Specifies circumstances under which this exception is available.

Provides a July 1, 2022, effective date.

3 Assessment and support planning.

Amends § 256B.0911, subd. 3a. Modifies the statute governing long-term care assessment and support planning by adding language to allow a person who receives MA HCBS and temporarily enters certain health care facilities for 121 days or less to return to the community under the same waiver services without requiring an assessment or reassessment, unless the person's annual reassessment is otherwise due. Specifies nothing in this section changes annual long-term care consultation reassessment requirements, payment for institutional or treatment services, MA financial eligibility, or any other law.

Makes this section effective upon federal approval and requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

4 Home and community-based services for developmental disabilities.

Amends § 256B.092, subd. 4. Removes language under the sections of statutes governing the MA developmental disabilities waiver requiring the commissioner to allocate MA waiver funds to county agencies and requiring county agencies to manage the funds.

Provides a January 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.

5 Federal waivers.

Amends § 256B.092, subd. 5. Requires the commissioner to seek approval to allow for the reconfiguration of the MA home and community-based waivers to implement a two-waiver program structure and to implement an individual resource allocation methodology.

Section Article 6: Disability Services and Continuing Care for Older Adults

Provides a January 1, 2023, effective date, 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.

6 Waiver services statewide priorities.

Amends § 256B.092, subd. 12. Makes conforming changes related to having the commissioner manage waiver funds rather than county agencies.

7 Regional quality councils and systems improvement.

Amends § 256B.097, by adding subd. 7. Requires the commissioner to maintain the regional quality councils and lists duties of the regional quality councils.

8 Membership and staff.

Amends § 256B.097, by adding subd. 8. Specifies membership of the regional quality councils and give each regional quality council the authority to hire staff.

9 Duties.

Amends § 256B.097, by adding subd. 9. Lists the duties of each regional quality council and allows each regional quality council to engage in quality improvement initiatives.

10 Compensation.

Amends § 256B.097, by adding subd. 10. Provides for compensation for certain regional quality council members and allows regional quality councils to charge fees for their services.

11 Contact information for consumer surveys for nursing facilities and home and community-based services.

Amends § 256B.439, by adding subd. 3c. Allows the commissioner to request contact information of clients and associated key representatives for purposes of conducting consumer surveys for nursing facilities and home and community-based services. Requires providers to furnish contact information available to the provider.

Provides an immediate effective date.

12 Resident experience survey and family survey for assisted living facilities.

Amends § 256B.439, by adding subd. 3d. Requires the commissioner to develop and administer a resident experience survey for assisted living facility residents and a family survey for families of assisted living facility residents. Specifies money appropriated to the commissioner to administer the resident experience survey and family survey is available in either fiscal year of the biennium in which it is appropriated.

Section Article 6: Disability Services and Continuing Care for Older Adults

13 Authority.

Amends § 256B.49, subd. 11. Makes clarifying changes. Requires the commissioner to seek approval to allow for the reconfiguration of MA home and community-based waivers to implement a two-waiver program structure and to implement an individual resource allocation methodology.

Provides a January 1, 2023, effective date, 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.

14 Waiver services statewide priorities.

Amends § 256B.49, subd. 11a. Makes conforming changes related to having the commissioner manage waiver funds rather than county agencies.

Provides a January 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.

15 Cost of services and supports.

Amends § 256B.49, subd. 17. Removes language requiring the commissioner to allocate MA waiver funds to counties. Removes obsolete language.

Provides a January 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.

16 Customized living moratorium for brain injury and community access for disability inclusion waivers.

Amends § 256B.49, by adding subd. 28. Paragraph (a) prohibits the commissioner from enrolling new customized living settings serving four or fewer people in a single-family home to deliver customized living services under the BI or CADI waiver plans to prevent new developments of customized living settings that otherwise meet the definition of “residential program.”

Paragraph (b) lists exceptions to the moratorium the commissioner may approve.

Paragraph (c) considers customized living settings operational on or before June 30, 2021, as existing customized living settings.

Paragraph (d) makes the authorizing lead agency responsible for all HCBS payments to any new customized living settings operational on or after July 1, 2021, serving four or fewer people in a single-family home.

Paragraph (e) defines “operational” for purposes of this subdivision.

Section Article 6: Disability Services and Continuing Care for Older Adults

Provides a July 1, 2021, effective date. Specifies this section only applies to customized living services provided under the MA BI and CADI waivers.

17 Base wage index and standard component values.

Amends § 256B.4914, subd. 5. Removes language related to family foster care base wages and component values in the section of statutes governing DWRS. Establishes component values under the disability waiver rate system (DWRS) for day support services, prevocational services, unit-based services with programming, and unit-based services without programming, except for respite care, delivered remotely. Makes technical and conforming changes.

Provides a January 1, 2022, 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.

18 Payments for residential support services.

Amends § 256B.4914, subd. 6. Removes references to family residential services, corporate and family foster care services, and supportive living services. Requires the commissioner to establish acuity-based input limits, based on case mix, for customized living and 24-hour customized living rates determined under DWRS. Limits customized living and 24-hour customized living rates determined under DWRS to 24 hours of support in a daily unit.

Provides a January 1, 2022, 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.

19 Payments for day programs.

Amends § 256B.4914, subd. 7. Specifies day programs may be provided in person or remotely. Makes conforming changes in the formula establishing rates under DWRS for day services.

Provides a January 1, 2022, 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.

20 Payments for unit-based services with programming.

Amends § 256B.4914, subd. 8. Specifies unit-based services with programming may be provided in person or remotely. Makes conforming changes in the formula establishing rates under DWRS for unit-based services with programming.

Provides a January 1, 2022, 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 Article 6: Disability Services and Continuing Care for Older Adults

21 Payments for unit-based services without programming.

Amends § 256B.4914, subd. 9. Specifies unit-based services without programming may be provided in person or remotely. Makes conforming changes in the formula establishing rates under DWRS for unit-based services without programming.

Provides a January 1, 2022, 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.

22 Payments for family residential services.

Amends § 256B.4914, by adding subd. 18. Requires the commissioner to establish rates for family residential services based on a person's assessed needs.

Provides a January 1, 2022, 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.

23 Managed care contracts.

Amends § 256B.69, subd. 5a. By January 30 of each year that follows a PCA or CFSS rate increase, requires managed care plans to inform the commissioner and the chairs and ranking minority members of the legislative committees with jurisdiction over rates determined under the new payment rate system of the amount of the rate increase that is paid to each PCA provider agency with which the plan has a contract.

Provides a January 1, 2023, effective date.

24 Definitions.

Amends § 256B.85, subd. 2. Applies the definitions under the CFSS program to the new payment rate system that is established and makes a grammatical change.

Provides a January 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.

25 Community first services and supports; payment rates.

Creates § 256B.851.

Subd. 1. Application. Applies the payment methodologies in this section to: (1) CFSS, extended CFSS, and enhanced rate CFSS; and (2) PCA services, extended PCA service, and enhanced rate PCA services. Specifies this section does not change existing PCA program or CFSS policies and procedures.

Section Article 6: Disability Services and Continuing Care for Older Adults

Subd. 2. Definitions. Defines the terms “commissioner,” “component value,” and “payment rate.”

Subd. 3. Payment rates; base wage index. Paragraph (a) establishes base wage component value calculations for the services covered under this section based on Bureau of Labor Statistics (BLS) standard occupational classifications.

Paragraph (b) requires the commissioner to update base wage component values based on wage data from the BLS available 30 months and a day prior to the scheduled update beginning on January 1, 2025, and every two years thereafter.

Paragraph (c) requires the commissioner to report to the legislature on framework component updates under paragraph (b) beginning on August 1, 2024, and every two years thereafter.

Subd. 4. Payment rates; total wage index. Paragraphs (a) to (c) establish the competitive workforce factor and total wage component value for the services covered under this rate methodology.

Paragraph (d) requires the commissioner to report to the legislature with an update of the competitive workforce factors beginning on August 1, 2024, and every two years thereafter. Requires the commissioner to calculate biennial adjustments to the competitive workforce factor after determining the base wage index updates, and specifies the manner in which the competitive workforce factor must be adjusted.

Paragraph (e) requires the commissioner to recommend an increase or decrease of the competitive workforce factor from its previous value by no more than three percent. Prohibits the competitive workforce factor from being less than zero.

Subd. 5. Payment rates; component values. Paragraph (a) establishes component values for the payment rate methodology.

Paragraph (b) establishes implementation components for the payment rate methodology.

Paragraph (c) provides for inflationary adjustments of the implementation components.

Paragraph (d) requires the commissioner to update certain component values for changes in the Consumer Price Index by the percentage change from the date of any previous update to the data available six months and one day prior to the scheduled update beginning on January 1, 2025, and every two years thereafter.

Paragraph (e) requires the commissioner to report to the legislature with an update on the component values beginning on August 1, 2024, and every two years thereafter.

Section Article 6: Disability Services and Continuing Care for Older Adults

Subd. 6. Payment rates; rate determination. Paragraph (a) lays out the payment rate calculation the commissioner must use to determine rates for PCA services, CFSS, extended PCA services, extended CFSS, enhanced rate PCA services, enhanced rate CFSS, qualified professional services, and CFSS worker training and development.

Paragraph (b) requires the commissioner to publish the total adjusted payment rates.

Subd. 7. Provider agency; required reporting and analysis of cost data. Paragraph (a) requires the commissioner to evaluate on an ongoing basis whether the base wage component values and component values appropriately address the cost to provide the service and to make recommendations to adjust the rate methodology as indicated by the evaluation. Requires agencies enrolled to provide services with rates determined under this section to submit requested cost data to the commissioner. Lists the data the commissioner may request.

Paragraph (b) requires providers to submit the required cost data for a fiscal year that ended not more than 18 months prior to the submission date at least once every three years. Requires the commissioner to provide each provider with a 90-day notice prior to its submission due date and with notices 30 and 60 days after the required submission date for providers who fail to submit required cost data. Allows the commissioner to temporarily suspend payments to a provider if the commissioner has not received the required cost data 90 days after the required submission date and to make withheld payments when the required cost data is received by the commissioner.

Paragraph (c) requires the commissioner to conduct a random validation of data submitted to ensure data accuracy, analyze cost documentation, and provide recommendations for adjustments to cost components.

Paragraph (d) requires the commissioner to analyze cost documentation and allows the commissioner to submit recommendations on component values, updated base wage component values, and competitive workforce factors to the legislature every two years beginning August 1, 2026. Requires the commissioner to release cost data in aggregate form and prohibits cost data from individual providers from being released except as provided for in current law.

Paragraph (e) requires the commissioner to develop and implement a process for providing training and technical assistance necessary to support provider submission of cost data.

Subd. 8. Payment rates; reports required. Paragraph (a) requires the commissioner to assess the component values and publish evaluation findings and recommended changes to the rate methodology in a report to the legislature by August 1, 2026.

Paragraph (b) requires the commissioner to: (1) assess the long-term impacts of the rate methodology implementation on staff providing services with rates determined under this

Section Article 6: Disability Services and Continuing Care for Older Adults

section, including but not limited to measuring changes in wages, benefits provided, hours worked, and retention; and (2) publish evaluation findings in a report to the legislature by August 1, 2028, and once every two years thereafter.

Subd. 9. Payment rates; collective bargaining. Subjects the commissioner's authority to set payment rates, including wages and benefits, for individual providers to the state's obligation to meet and negotiate under the Public Employment Labor Relations Act, as modified and made applicable to individual providers, and to agreements with any exclusive representative of individual providers as authorized under the Public Employment Labor Relations Act, as modified and made applicable to individual providers.

Provides a January 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.

26 Moratorium on development of housing support beds.

Amends § 256I.04, subd. 3. Modifies the housing support bed moratorium exceptions by expanding the exception for supportive housing units in the metro area for homeless adults with mental illness, a history of substance abuse, or HIV/AIDS to allow for more supportive housing units and to include additional counties (Carver, Scott, and Washington counties). Removes language requiring 70 percent of the supportive housing units to serve homeless adults who are about to be, or within the last six months, have been discharged from a regional treatment center, a state-contracted psychiatric bed in a community hospital, or a residential mental health or chemical dependency treatment program. Removes obsolete language. Adds paragraph (c), which requires the appropriation for the housing support bed moratorium exceptions to include administrative funding equal to the cost of two FTEs to process eligibility and requires the commissioner to disburse administrative funding to the fiscal agent for counties.

27 Supplementary service rates.

Amends § 256I.05, subd. 1a. Makes clarifying changes. Includes tribes in the cost-neutral housing support allocation option.

Provides an immediate effective date.

28 Rate increases.

Amends § 256I.05, subd. 1c. Makes the housing support room and board rate for an individual payable beyond an 18-calendar-day absence period, not to exceed 150 days in a calendar year, for purposes of maintaining housing while temporarily absent due to residential behavioral health treatment or health care treatment that requires admission to certain facilities.

Section Article 6: Disability Services and Continuing Care for Older Adults

29 Transfer of emergency shelter funds.

Amends § 256I.05, subd. 11. Includes tribes in the cost-neutral housing support allocation option.

Provides an immediate effective date.

30 Monthly case mix budget cap exception.

Amends § 256S.18, subd. 7. Modifies the monthly case mix budget cap exception under the elderly waiver program by making technical changes, requiring the commissioner to calculate the difference between PCA services and enhanced rate PCA services, and prohibiting the additional budget amount approved under an exception from exceeding this difference.

Provides a July 1, 2021, 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.

31 Customized living services provider requirements.

Amends § 256S.20, subd. 1. Makes changes to customized living services provider requirements to conform to the assisted living licensure statutes.

32 Temporary PCA compensation for services provided by a parent or spouse.

Amends Laws 2020, Fifth Special Session ch. 3, art. 10, § 3. Modifies the expiration date of a provision allowing for temporary PCA compensation for services provided by a parent or spouse. This provision expired on February 7, 2021.

33 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 March 1, 2021.

34 Direction to the commissioner; customized living report.

Paragraph (a) requires, by January 15, 2022, the commissioner of human services to submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over human services policy and finance and specifies the information that must be included in the report.

Paragraph (b) requires the commissioner of health to provide the commissioner of human services with the required data to complete the report in paragraph (a) and implement the moratorium on HCBS customized living. Specifies the data that must be included.

35 Governor's Council on an Age-Friendly Minnesota.

Specifies duties of the Governor's Council on an Age-Friendly Minnesota and extends the council until October 1, 2022.

Section Article 6: Disability Services and Continuing Care for Older Adults

36 Rate increase for direct support services workforce.

Paragraph (a) requires the commissioner of human services to increase direct support services reimbursement rates, individual budgets, grants, or allocations by specified percentages effective October 1, 2021, or upon federal approval, whichever is later, if the labor agreement between the state and SEIU Healthcare Minnesota is approved.

Paragraphs (b) and (c) list the programs to which the rate changes apply.

37 Waiver reimagine phase II.

Paragraph (a) requires the commissioner of human services to implement a two-home and community-based services waiver program structure that serves persons who are determined by a certified assessor to require the levels of care provided in a nursing home, hospital, neurobehavioral hospital, or an intermediate care facility for persons with developmental disabilities.

Paragraph (b) requires the commissioner to implement an individualized budget methodology that serves persons who are determined by a certified assessor to require the levels of care provided in a nursing home, hospital, neurobehavioral hospital, or an intermediate care facility for persons with developmental disabilities.

Paragraph (c) allows the commissioner to seek all federal authority necessary to implement this section.

Provides a September 1, 2024, 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.

38 Repealer.

Paragraph (a) repeals Minn. Stat. § 256B.097, subs. 1 to 6 (state quality assurance, quality improvement, and licensing system).

Paragraph (b) repeals Minn. Stat. §§ 256B.0916, subs. 2 (distribution of funds; partnerships), 3 (failure to develop partnerships or submit a plan), 4 (allowed reserve), 5 (allocation of new diversions and priorities for reassignment of resources for developmental disabilities), 8 (financial and wait-list data reporting), 11 (excess spending), and 12 (use of waiver allocations); and 256B.49, subs. 26 (excess allocations) and 27 (use of waiver allocations), effective January 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.

Article 7: Community Supports Policy

This article contains clarifications and updates to intensive nonresidential rehabilitative mental health services and community first services and supports (CFSS).

Section Article 7: Community Supports Policy

- 1 **Service standards.**
Amends § 256B.0947, subd. 6. Makes clarifying change.

- 2 **Managed care contracts.**
Amends § 256B.69, subd. 5a. Requires managed care plans to use processes, forms, documentation, data reporting, and other policies consistent with MA fee-for-service or DHS contract requirements for community first services and supports (CFSS), which are scheduled to replace PCA services beginning in October.

- 3 **Basis and scope.**
Amends § 256B.85, subd. 1. Clarifies that supports purchased under CFSS are not considered home care services.

- 4 **Definitions.**
Amends § 256B.85, subd. 2. Clarifies the definitions of “activities of daily living,” “complex health-related needs,” “CFSS service delivery plan,” “dependency,” “extended CFSS,” “medication assistance,” “participant’s representative,” and “shared services.”

- 5 **Eligibility.**
Amends § 256B.85, subd. 3. Clarifies eligibility for CFSS.

- 6 **Eligibility for other services.**
Amends § 256B.85, subd. 4. Makes technical changes.

- 7 **Assessment requirements.**
Amends § 256B.85, subd. 5. Modifies assessment requirements under CFSS.

- 8 **CFSS service delivery plan.**
Amends § 256B.85, subd. 6. Clarifies CFSS service delivery plans must meet the needs identified in the developmental disabilities waiver coordinated service and support plan. Requires the CFSS service delivery plan to describe the units or dollar amount available to the participant.

Section Article 7: Community Supports Policy

- 9 **CFSS; covered services.**
Amends § 256B.85, subd. 7. Modifies prohibitions for CFSS support workers who are the parent, stepparent, or legal guardian of a participant under age 18, or who are a participant's spouse.
- 10 **Determination of CFSS service authorization amount.**
Amends § 256B.85, subd. 8. Clarifies the provision of additional service units for level I behaviors.
- 11 **Authorization; exceptions.**
Amends § 256B.85, by adding subd. 8a. Provides for exceptions to CFSS service authorizations.
- 12 **Noncovered services.**
Amends § 256B.85, subd. 9. Clarifies noncovered services in residential settings and for children under age 18 under CFSS.
- 13 **Agency provider and FMS provider qualifications and duties.**
Amends § 256B.85, subd. 10. Requires agency providers to complete required training as determined by the commissioner. Clarifies general duties of agency providers and FMS providers under CFSS.
- 14 **Agency provider model.**
Amends § 256B.85, subd. 11. Requires the agency to make a reasonable effort to fulfill the participant's request for the participant's preferred worker. Makes terminology consistent.
- 15 **Agency provider model; support worker competency.**
Amends § 256B.11b. Clarifies support worker competency requirements under CFSS. Clarifies requirements when providing shared services.
- 16 **Requirements for enrollment of CFSS agency providers.**
Amends § 256B.85, subd. 12. Clarifies requirements CFSS agency providers must meet at the time of enrollment, reenrollment, and revalidation as a CFSS agency provider.
- 17 **CFSS agency provider requirements; notice regarding termination of services.**
Amends § 256B.85, subd. 12b. Extends the timeline for agency providers to provide a termination of services notice to a participant from ten calendar days to 30 calendar days before the proposed termination of service. Corrects spelling.

Section Article 7: Community Supports Policy

18 Budget model.

Amends § 256B.85, subd. 13. Requires two or more participants who are using the budget model, living in the same household, and using the same worker to use the same FMS provider. If the FMS provider advises that there is a joint employer in the budget model, requires all participants associated with that joint employer to use the same FMS provider.

19 Financial management services.

Amends § 256B.85, subd. 13a. Expands FMS provider requirements to include providing written notice to the participant or the participant's representative at least 30 calendar days before a proposed service termination becomes effective. Removes unnecessary language.

20 Participant's representative responsibilities.

Amends § 256B.85, by adding subd. 14a. Paragraph (a) requires a participant to use a participant's representative to receive CFSS services if the participant is unable to direct the participant's own care. Lists circumstances under which a participant's representative is required.

Paragraph (b) lists requirements a participant's representative must meet.

Paragraph (c) lists certain persons who are prohibited from being a participant's representative.

Paragraph (d) allows a licensed family foster parent to be the participant's representative under certain circumstances.

Paragraph (e) allows for two persons to be designated as the participant's representative.

Paragraph (f) requires the participant or the participant's legal representative to appoint a participant's representative.

Paragraph (g) requires a participant's representative to enter into a written agreement with an agency provider or FMS provider and lists the items that must be included in the agreement.

Paragraph (h) allows a participant's representative to temporarily delegate responsibility to another adult and lists duties a participant's representative must meet in delegating responsibility.

Paragraph (i) specifies the length of time the designation of a participant's representative remains in place.

Section Article 7: Community Supports Policy

Paragraph (j) allows a lead agency to disqualify a participant's representative who engages in conduct that creates an imminent risk of harm to the participant, the support worker, or other staff. Requires a participant's representative who fails to provide support required by the participant to be referred to the common entry point.

21 Documentation of support services provided; time sheets.

Amends § 256B.85, subd. 15. Clarifies support workers must submit time sheets at least once per month. Makes technical changes.

22 Consultation services provider qualifications and requirements.

Amends § 256B.85, subd. 17a. Expands the list of qualifications and requirements consultation services providers must meet under CFSS to include proof of surety bond coverage and reporting of maltreatment of minors and vulnerable adults.

23 Worker training and development services.

Amends § 256B.85, subd. 18a. Requires worker training and development services to be delivered by an individual competent to perform, teach, or assign the tasks, including health-related tasks, identified in the plan through education, training, and work experience. Modifies the list of items worker training and development services do not include.

24 Service-related rights under an agency provider.

Amends § 256B.85, subd. 20b. Clarifies participant's service-related rights under an agency provider related to shared services.

25 Commissioner's access.

Amends § 256B.85, subd. 23. Makes technical and clarifying changes.

26 Sanctions; information for participants upon termination of services.

Amends § 256B.85, subd. 23a. Clarifies consultation services providers must also provide a participant with notice of service termination and support the participant in transitioning to another provider. Allows the commissioner to inform the ombudsman for long-term care and the lead agencies for all participants with active service agreements with a consultation services provider whose enrollment has been suspended or terminated.

Article 8: Miscellaneous

This article makes several clarifying and policy changes to the Cultural and Ethnic Communities Leadership Council. Notable changes include:

- specifying broad membership groups;
- requiring the Commissioner of Human Services to accept council recommendations when appointing a chair;
- removing language regarding initial appointees' terms;
- modifying the timeline for replacing members;
- requiring the commissioner to actively engage with the council;
- modifying language to ensure equitable and culturally responsive models of program implementation;
- requiring the department to advise on progress and accountability measures for addressing inequities;
- adding more duties for the commissioner;
- adding council duty to advance legislative proposals to improve racial and health equity outcomes, with community input;
- modifying council legislative report requirements;
- specifying that council members may not be absent from meetings more than three times per year;
- adding council member duty to participate in work groups;
- removing current June 30, 2022, expiration date; and
- providing compensation, under Minnesota Statutes, section 15.059, subdivision 3.

Article 9: Mental Health Uniform Service Standards

This article moves various statutes and rules related to mental health service standards into a new chapter, 245I, and updates, aligns, and streamlines definitions and standards for providing a range of mental health services.

Section Article 9: Mental Health Uniform Service Standards

- 1 **Purpose and citation.**
Proposes coding for § 245I.01. Provides a citation for the act; states the purpose of creating a unified, comprehensive, and accountable system of mental health care; states public policy.
- 2 **Applicability.**
Proposes coding for § 245I.011.

Section Article 9: Mental Health Uniform Service Standards

Subd. 1. License requirements. Specifies other sections of statute and rules with which licensees must comply.

Subd. 2. Variances. Allows the commissioner to grant variances in certain circumstances, if the license holder, applicant, or certification holder meets listed conditions. Allows the commissioner to grant a permanent variance under certain circumstances; specifies that a variance decision is final and not subject to appeal.

Subd. 3. Certification required. Allows for mental health clinic certification; codifies standards for certification of mental health clinics.

Subd. 4. License required. Requires licensure for intensive residential treatment services (IRTS) or residential crisis stabilization.

Subd. 5. Programs certified under chapter 256B. Specifies that programs that are currently certified must comply with all license holder responsibilities.

Makes this section effective upon federal approval or July 1, 2022, whichever is later.

3 Definitions.

Proposes coding for § 245I.02. Defines the following terms for purposes of chapter 245I:

- Approval
- Behavioral sciences or related fields
- Business day
- Case manager
- Certified rehabilitation specialist
- Child
- Client
- Clinical trainee
- Commissioner
- Co-occurring substance use disorder treatment
- Crisis plan
- Critical incident
- Diagnostic assessment
- Direct contact
- Family and other natural supports
- Functional assessment
- Individual abuse prevention plan

Section Article 9: Mental Health Uniform Service Standards

- Level of care assessment
- License
- License holder
- Licensed prescriber
- Mental health behavioral aide
- Mental health certified family peer specialist
- Mental health practitioner
- Mental health professional
- Mental health rehabilitation worker
- Mental illness
- Organization
- Personnel file
- Registered nurse
- Rehabilitative mental health services
- Residential program
- Signature
- Staff person
- Strengths
- Trauma
- Treatment plan
- Treatment supervision
- Volunteer

4 Required policies and procedures.

Proposes coding for § 245I.03. Outlines standards for license holders to establish, enforce, and maintain policies and procedures to comply with the requirements of this chapter and additional relevant statutes and rules. Outlines additional requirements for policies and procedures; requires policies and procedures to address: health and safety; client rights; behavioral emergencies; health services and medications; reporting maltreatment; critical incidents; personnel; volunteers; and data privacy.

5 Provider qualifications and scope of practice.

Proposes coding for § 245I.04. Modifies, centralizes, and clarifies mental health provider qualifications and scopes of practice; distinguishes between clinical trainees and mental health practitioners.

6 Training required.

Proposes coding for § 245I.05. Aligns training standards for mental health staff; requires a license holder to develop a training plan and document training provided

Section Article 9: Mental Health Uniform Service Standards

to staff. Specifies what must be included in initial training and ongoing training; requires additional training for medication administration.

7 Treatment supervision.

Proposes coding for § 245I.06. Requires a license holder to ensure that a mental health professional or certified rehabilitation specialist provides treatment supervision to staff who are not mental health professionals or certified rehabilitation specialists. Outlines treatment supervision requirements and responsibilities; requires treatment supervision planning. Allows for greater flexibility in supervision. Requires direct observation of mental health behavioral aides or rehabilitation workers.

8 Personnel files.

Proposes coding for § 245I.07. Aligns standards for maintaining personnel files; lists what a personnel file must include; requires personnel files to be readily accessible for the commissioner's review.

9 Documentation standards.

Proposes coding for § 245I.08. Aligns standards for documenting treatment supervisor approval, services provided, and medication administered.

10 Client files.

Proposes coding for § 245I.09. Aligns standards for maintaining and retaining client files; specifies what client files must include.

11 Assessment and treatment planning.

Proposes coding for § 245I.10.

Subd. 1. Definitions. Defines "diagnostic formulation" and "responsivity factors."

Subd. 2. Generally. Outlines new requirements for diagnostic and crisis assessments and services that may be provided prior to those assessments. Allows specified services based on a client's needs identified in a hospital's medical history and presentation examination.

Subd. 3. Continuity of services. Specifies that a diagnostic assessment conducted before the effective date of this section is valid for one year after it was completed. Specifies that an individual treatment plan is valid until the treatment plan's expiration date. Provides a July 1, 2023, expiration date for this subdivision.

Section Article 9: Mental Health Uniform Service Standards

Subd. 4. Diagnostic assessment. Specifies required findings for a diagnostic assessment.

Subd. 5. Brief diagnostic assessment; required elements. Outlines requirements for a brief diagnostic assessment.

Subd. 6. Standard diagnostic assessment; required elements. Outlines requirements for a standard diagnostic assessment.

Subd. 7. Individual treatment plan. Requires a license holder to follow each client's written individual treatment plan when providing services; lists exceptions.

Subd. 8. Individual treatment plan; required elements. Outlines requirements for an individual treatment plan.

Subd. 9. Functional assessment; required elements. Outlines requirements for a functional assessment.

12 Health services and medications.

Proposes coding for § 245I.11. Establishes standards for health services, ordering, storing, and accounting for medications, and administering medications, for residential programs, license holders that store or administer client medications, or license holders that observe clients self-administer medication.

13 Client rights and protections.

Proposes coding for § 245I.12. Outlines requirements for client rights and protections, aligning with the Health Care Bill of Rights and other relevant statutory provisions.

14 Critical incidents.

Proposes coding for § 245I.13. Requires residential program license holders to report all critical incidents to the commissioner within 10 days of learning of the incident. Requires records to be kept in a central location, readily accessible to the commissioner for review.

15 Mental health clinic.

Proposes coding for § 245I.20. Updates and increases flexibility for mental health clinic certification standards; moves standards from rule to statutes. Modifies staffing requirements, provides satellite location flexibility, and eliminates certain prescriptive requirements and replaces with requirement to implement a quality assurance and improvement plan.

Section Article 9: Mental Health Uniform Service Standards

- 16 Intensive residential treatment services and residential crisis stabilization.**
Proposes coding for § 245I.23. Outlines and aligns licensing standards for IRTS and residential crisis stabilization programs. Updates include allowing additional time for certain initial documentation and assessment requirements, reducing required assessment frequency, and modifying discharge standards.
- 17 Covered mental health services.**
Proposes coding for § 256B.0671. Standardizes terminology, using definitions established in chapter 245I. Provides for continued medical assistance coverage of mental health services defined in section 256B.0625 or rule 9505.0372, including: adult day treatment services; family psychoeducation services; dialectical behavior therapy; mental health clinical care consultation; neuropsychological assessment; neuropsychological testing; psychological testing; psychotherapy; partial hospitalization; and diagnostic assessments.
- 18 Direction to commissioner; single comprehensive license structure.**
Requires the commissioner, in consultation with stakeholders, to make recommendations to develop a single comprehensive licensing structure for mental health services programs. Lists required priorities for the recommendations developed under this section.
- 19 Effective date.**
Makes this article effective July 1, 2022, or upon federal approval, whichever is later.

Article 10: Crisis Response Services

This article modifies provisions related to crisis response services for adults and children by unifying service, eligibility, provider, and staff requirements, making clarifying changes, adding clinical trainees, adding language to include family members and other third parties, and aligning definitions and other provisions with the mental health uniform service standards established in chapter 245I.

Section Article 10: Crisis Response Services

- 1 Availability of emergency services.**
Amends § 245.469, subd. 1. Modifies Adult Mental Health Act language to include services and requirements currently provided under children’s crisis services provisions; adds language to include family members and other third parties.

Section Article 10: Crisis Response Services

2 Specific requirements.

Amends § 245.469, subd. 2. Modifies Adult Mental Health Act language to include clinical trainees; makes clarifying changes.

3 Availability of emergency services.

Amends § 245.4879, subd. 1. Modifies Children’s Mental Health Act crisis language by inserting cross-reference to provisions added in the above two sections.

4 Crisis response services covered.

Amends § 256B.0624. Unifies service, eligibility, provider, and staff standards and qualifications for crisis services for adults and children; clarifies and merges definitions and references uniform service standard definitions (chapter 245I); distinguishes mobile crisis teams and residential crisis stabilization providers; adds subdivisions to clarify screening, initial assessment, and intervention processes.

5 Effective date.

Makes this article effective July 1, 2022, or upon federal approval, whichever is later.

Article 11: Uniform Service Standards: Conforming Changes

This article makes conforming changes related to the establishment of the mental health uniform service standards in Article 9 and crisis response services in article 10, and includes a repealer of statutes and rules related to the newly-aligned and clarified standards.

Article 12: Forecast Adjustments

This article adjusts appropriations to the commissioner of human services in fiscal year 2021 for forecasted programs administered by the commissioner of human services.

Article 13: Appropriations

This article appropriates money for fiscal years 2022 and 2023 from the specified funds to the commissioner of human services, commissioner of health, health-related licensing boards, the Emergency Medical Services Regulatory Board, the Council on Disability, the attorney general, the ombudsman for mental health and developmental disabilities, and the ombudspersons for families. It also:

- reduces fiscal year 2021 appropriations from the state government special revenue fund to the commissioner of health;

- transfers an appropriation to the commissioner of health from fiscal year 2021 to fiscal year 2022;
- appropriates money in fiscal year 2021 to the commissioner of human services for an MFIP supplemental payment;
- refinances certain fiscal year 2020 emergency child care grants with money from the coronavirus relief federal fund;
- cancels an annual transfer from the state government special revenue fund to the general fund;
- appropriates to the commissioner of health federal funds made available to the commissioner for vaccine activities;
- replaces expenditures authorized in this article with federal funds from the American Rescue Plan Act if the commissioner of management and budget determines those funds can be used for expenditures authorized in this article; and
- repeals a subdivision requiring the commissioner of management and budget to transfer excess funds from the health care access fund to the general fund each June 30, effective June 30, 2025.



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