

**Subject** Human Services Omnibus Finance Bill

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### Overview

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

### Article 1: Disability Services

This article includes provisions to phase out the use of subminimum wages for persons with disabilities, include life sharing services under the MA disability waivers, establish provider capacity grants for underserved communities, establish grants supporting new Americans in the long-term care workforce, establish HCBS workforce incentive fund grants, modify alternate overnight supervision in community residential settings, modify the disability waiver rate system (DWRS), provide for an ICF/DD rate transition, modify the PCA/CFSS payment rate methodology, allow PCAs to drive clients, ratify the self-directed worker contract, and provide various directions to the commissioner of human services.

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

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**1 Special certificate prohibition.**

Amends § 177.24, by adding subd. 6. Beginning August 1, 2026, prohibits employers from hiring any new employee with a disability at a wage that is less than the highest applicable minimum wage. Beginning August 1, 2028, prohibits employers from paying an employee with a disability less than the highest applicable minimum wage.

**2 Home care orientation trust.**

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

**3 Licensing moratorium.**

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

**4 Application fee for initial license or certification.**

Amends § 245A.10, subd. 3. Removes obsolete language.

**5 Adult foster care; variance for alternate overnight supervision.**

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

Provides a January 1, 2024, effective date.

**6 Alternate overnight supervision technology; adult foster care licenses.**

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

Provides a January 1, 2024, effective date.

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**7 Applicability.**

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

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

**8 Community residential settings; remote overnight supervision.**

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

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

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

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

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

**Subd. 5. Consent to use of monitoring technology.** Requires community residential setting license holders to obtain a signed informed consent form from

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each resident served by the program or the resident's legal representative agreeing to the use of monitoring technology if that technology is used in the setting. Lists the information that must be included in the informed consent form.

Provides a January 1, 2024, effective date.

**9 Lead agency board responsibilities.**

Amends § 252.44. Modifies lead agency board of commissioners' duties under the statutes governing day services to include additional duties related to ensuring, as of August 1, 2026, that employers do not hire any new employees with disabilities at a wage that is less than the applicable minimum wage and as of August 1, 2028, that any day service program pay employees with disabilities the highest applicable minimum wage.

**10 Statewide disability employment technical assistance center.**

Creates § 252.54. Requires the commissioner of human services to establish a statewide technical assistance center to provide resources and assistance to programs, people, and families to support individuals with disabilities to achieve meaningful and competitive employment in integrated settings. Lists the duties of the technical assistance center.

**11 Lead agency employment first capacity building grants.**

Creates § 252.55. Requires the commissioner of human services to establish a grant program to expand lead agency capacity to support people with disabilities to contemplate, explore, and maintain competitive, integrated employment options. Lists allowable uses of funds.

Provides a July 1, 2023, effective date.

**12 Provider capacity grants for rural and underserved communities.**

Creates § 256.4761.

**Subd. 1. Establishment and authority.** Requires the commissioner of human services to: (1) award grants to organizations that provide community-based services to rural or underserved communities; (2) conduct community engagement, provide technical assistance, and establish a collaborative learning community; (3) limit expenditures to the amount appropriated for this purpose; and (4) give priority to organizations that provide culturally specific and culturally responsive services or that serve historically underserved communities throughout the state. Requires grants to be used to build organizational capacity

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to provide home and community-based services in the state and to build new or expanded infrastructure to access MA reimbursement.

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

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

**13 Report to legislature.**

Amends § 256.482, by adding subd. 9. On or before January 15, 2025, requires the Minnesota Council on Disability to report annually to the legislature regarding website accessibility training, technical assistance, and outreach numbers, outcomes, and costs.

**14 Asset limitations for certain individuals.**

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

Provides an immediate effective date.

**15 Employed persons with disabilities.**

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

Provides an immediate effective date.

**16 Definitions.**

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

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

**17 Documentation of PCA services provided.**

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

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- Provides an effective date of 90 days following federal approval. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 18 **PCA choice option; qualifications; duties.**  
Amends § 256B.0659, subd. 19. Modifies the duties the recipient or responsible party must perform to include ensuring that a PCA driving a recipient has a valid driver's license and the vehicle used is registered and insured according to Minnesota law.
- Provides an effective date of 90 days following federal approval. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 19 **PCA provider agency; general duties.**  
Amends § 256B.0659, subd. 24. Modifies the duties of a PCA provider agency to include ensuring that any PCA driving a recipient has a valid driver's license and that the vehicle used is registered and insured according to Minnesota law.
- Provides an effective date of 90 days following federal approval. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 20 **MnCHOICES assessor qualifications, training, and certification.**  
Amends § 256B.0911, subd. 13. Modifies MnCHOICES certified assessor qualifications by removing a requirement that a certified assessor have at least one year of home and community-based experience.
- 21 **Case management services.**  
Amends § 256B.092, subd. 1a. Modifies case manager training requirements under the MA developmental disabilities waiver to increase the annual training requirement from ten to 20 hours. Requires the training to include informed choice, cultural competency, employment planning, community living planning, self-direction option, and use of technology supports. Requires case managers to document completion of training in a system identified by the commissioner of human services.
- 22 **EIDBI provider qualifications.**  
Amends § 256B.0949, subd. 15. Modifies the qualifications for a level II treatment provider to include an individual certified by a Tribal Nation.
- Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

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**23 Case management.**

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

**24 Informed choice in employment policy.**

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

**25 Subminimum wages in home and community-based services prohibition; requirements.**

Creates § 256B. 4906.

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

**Subd. 2. Prohibition of subminimum wages.** Prohibits home and community-based services providers from paying a person with a disability wages below the state minimum wage, or below the prevailing local minimum wage on the basis of the person's disability. Specifies that a special certificate authorizing payment of less than the minimum wage to a person with a disability is without effect as of August 1, 2028.

**26 Applicable services.**

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

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

**27 Base wage index; establishment and updates.**

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

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

**28 Base wage index; calculations.**

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

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

**29 Standard component value adjustments.**

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

Makes the addition of life-sharing services effective January 1, 2026, or upon federal approval, whichever is later. Makes changes to the inflationary adjustment timeline effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

**30 Residential support services; generally.**

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

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



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**31 Reporting and analysis of cost data.**

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

Provides a January 1, 2025, effective date.

**32 Direct care staff; compensation.**

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

Provides a January 1, 2025, effective date.

**33 Exceptions.**

Amends § 256B.4914, subd. 14. Specifies life-sharing rates are not eligible for a rate exception.

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

**34 Payments for family residential and life-sharing services.**

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

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

**35 ICF/DD rate transition.**

Amends § 256B.5012, by adding subd. 19. Establishes a minimum daily operating rate for ICF/DDs equal to \$260 effective January 1, 2024. Requires the rate to be updated for inflation every two years beginning January 1, 2026.

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

**36 Payment rates; base wage index.**

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

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

**37 Payment rates; component values.**

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

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

**38 Payment rates; rate determination.**

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

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

**39 Persons entitled to receive aid.**

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

Provides an immediate effective date.

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**40 Use of data.**

Amends § 268.19, subd. 1. Allows data gathered under the administration of the Minnesota Unemployment Insurance Law to be disseminated to and used by DHS for the purpose of evaluating MA services and supporting program improvement.

**41 Research on access to long-term care services and financing.**

Amends Laws 2021, First Special Session ch. 7, art. 17, § 16. Allows any unexpended amount appropriated in fiscal year 2023 for research on access to long-term care services and financing to be available through June 30, 2024.

**42 Home and community-based workforce incentive fund grants.**

Establishes home and community-based workforce incentive fund grants to assist with recruiting and retaining direct support and frontline workers.

**Subd. 1. Grant program established.** Requires the commissioner of human services to establish grants for disability and home and community-based providers to assist with recruiting and retaining direct support and frontline workers.

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

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

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

**Subd. 5. Distribution plan; report.** Requires a provider agency or individual that receives a grant to: (1) prepare a distribution plan that specifies the amount of money the provider expects to receive and how that money will be distributed for recruitment and retention purposes; and (2) submit a report to the commissioner that includes a description of how grant funds were distributed to eligible employees and the total dollar amount distributed.

**Subd. 6. Audits and recoupment.** Allows the commissioner to perform an audit of these grants up to six years after a grant is awarded. Requires the

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commissioner to treat any grant amounts used for a purpose not authorized under this section as an overpayment and to recover any overpayment.

**Subd. 7. Grants not to be considered income.** Defines “subtraction” for purposes of this subdivision. Specifies the amount of a grant award received under this grant program is a subtraction and excluded from income under Minnesota income tax laws. Specifies grant awards must not be considered income, assets, or personal property for purposes of determining eligibility or recertifying eligibility for various public assistance and health care programs.

**43 New American legal and social services workforce grant program.**

**Subd. 1. Definition.** Defines “eligible workers.”

**Subd. 2. Grant program established.** Requires the commissioner of human services to establish a new American legal and social services workforce grant program for organizations that assist eligible workers in seeking or maintaining legal or citizenship status to become or remain legally authorized for employment and to provide supports during the legal process.

**Subd. 3. Distribution of grants.** Specifies parameters the commissioner must follow in distributing grants.

**Subd. 4. Eligible grantees.** Specifies the types of entities eligible to receive grant funding under this section.

**Subd. 5. Grantee duties.** Lists activities and services grantees must provide.

**Subd. 6. Reporting.** Specifies information grantees must report to the commissioner.

**44 Supporting new Americans in the long-term care workforce grants.**

**Subd. 1. Definition.** Defines “new American” for purposes of this grant.

**Subd. 2. Grant program established.** Requires the commissioner of human services to establish a grant program for organizations that support immigrants, refugees, and new Americans interested in entering the long-term care workforce.

**Subd. 3. Eligibility.** Lists eligibility criteria applicants must meet. Requires the commissioner to prioritize applications from joint labor management programs.

**Subd. 4. Allowable grant activities.** Lists allowable grant activities.

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- 45      **Approval of corporate foster care moratorium exceptions.**  
Allows the commissioner of human services to approve or deny corporate foster care moratorium exceptions prior to approval of a service provider’s home and community-based services license under the chapter of statutes governing home and community-based services standards. Prohibits approval of an exception from being construed as final approval of a service provider’s HCBS or community residential setting license. Limits moratorium exception approval to service providers that have requested a home and community-based services license under the chapter of statutes governing HCBS standards. Provides a December 31, 2023, expiration date.  
  
Provides an immediate effective date.
- 46      **Budget increase for consumer directed community-supports.**  
Provides increases for consumer-directed community supports budgets under the MA waivers and alternative care program effective January 1, 2024, and January 1, 2025.
- 47      **Early intensive developmental and behavioral intervention (EIDBI) licensure study.**  
Requires the commissioner of human services to: (1) review the MA EIDBI service and evaluate the need for licensure or other regulatory modifications; (2) consult with interested stakeholders; and (3) convene stakeholder meetings to obtain feedback on licensure or regulatory recommendations. Lists the items that must be included in the evaluation.
- 48      **Study to expand access to services for people with co-occurring behavioral health conditions and disabilities.**  
Requires the commissioner of human services to evaluate options to expand services authorized under the MA waivers. Allows the evaluation to include options to authorize services under the MA state plan and strategies to decrease the number of people who remain in hospitals, jails, and other acute or crisis settings when they no longer meet medical or other necessary criteria.
- 49      **Self-directed worker contract ratification**  
Ratifies the labor agreement between the State of Minnesota and SEIU Healthcare Minnesota that was submitted to the Legislative Coordinating Commission on February 27, 2023.
- 50      **Memorandums of understanding.**  
Ratifies the memorandums of understanding with SEIU Healthcare Minnesota that were submitted by the commissioner of management and budget on February 27, 2023.

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- 51 Specialized equipment and supplies limit increase.**  
Requires the commissioner of human services to increase the annual limit for specialized equipment and supplies under the MA waiver plans, alternative care, and essential community supports to \$10,000.  
  
Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 52 Interagency employment supports alignment study.**  
Requires the commissioners of human services, employment and economic development, and education to conduct an interagency alignment study on employment supports for people with disabilities. Lists the topics the study must evaluate.
- 53 Monitoring employment outcomes.**  
By January 15, 2025, requires DHS, DEED, and MDE to provide the chairs and ranking minority members of the legislative committees with jurisdiction over health, human services, and labor with a plan for tracking employment outcomes for people with disabilities served by programs administered by those agencies. Requires the plan to include any needed changes to state law to track supports received and outcomes across programs.
- 54 Phase-out of the use of subminimum wage for medical assistance disability services.**  
Requires the commissioner of human services to seek all necessary amendments to the MA disability waiver plans to require that people receiving prevocational or employment support services are compensated at or above the state minimum wage or at or above the prevailing local minimum wage no later than August 1, 2028.
- 55 Rate increase for certain disability waiver services.**  
Requires the commissioner of human services to increase payment rates for chore services, homemaker services, and home-delivered meals provided under the MA disability waivers by 15.8 percent from the rates in effect on December 31, 2023.  
  
Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 56 Rate increase for EIDBI benefit services.**  
Requires the commissioner of human services to increase payment rates for EIDBI services by 15.8 percent from the rates in effect on December 31, 2023.

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- Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 57 **Rate increase for home care services.**  
Requires the commissioner of human services to increase payment rates for home health services, home care nursing services, respiratory therapy, and home health agency services by 15.8 percent from the rates in effect on December 31, 2023.  
  
Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 58 **Rate increase for ICF/DD day training and habilitation services.**  
Requires the commissioner of human services to increase payment rates for day training and habilitation services by 15.8 percent from the rates in effect on December 31, 2023.  
  
Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 59 **Study on presumptive eligibility for long-term services and supports.**  
Requires the commissioner of human services to study presumptive functional eligibility for people with disabilities and older adults for MA, alternative care, essential community supports, and home and community-based services. Lists the topics that must be evaluated in the presumptive eligibility study. Requires the commissioner to report recommendations and draft legislation to the legislature by January 1, 2025.
- 60 **Systemic review of acute care hospitalizations study.**  
Requires the commissioner of human services to conduct a systemic review of acute care hospitalizations for older adults on MA and people on MA with disabilities and behavioral health conditions. Lists the items the review must include. Requires the commissioner to submit a report by January 15, 2025, to the legislature including proposed legislation to enact the report's recommendations.
- 61 **Repealer.**  
Repeals Minn. Stat. § 256B.4914, subd. 6b (family residential services; component values and calculation of payment rates), effective January 1, 2026, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

## Article 2: Aging Services

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

### Section Description - Article 2: Aging Services

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**1 Native American elders coordinator position.**

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

**2 Live well at home grants.**

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

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

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

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

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

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

**Subd. 3c. Caregiver support and respite care projects.** Moves language from section 256B.0917, subdivision 6, to this subdivision. Requires volunteer and caregiver training to include resources on how to support an individual with dementia.

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

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

**Subd. 4. Eligibility.** No changes.



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**Subd. 5. Grant preference.** No changes.

**3 Caregiver respite services grants.**

Creates § 256.9756.

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

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

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

**4 Definitions.**

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

**5 Adult protection grant allocations.**

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

Provides a July 1, 2023, effective date.

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**6 Case mix indices.**

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

**7 External fixed costs payment rate.**

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

**8 Rate adjustment for critical access nursing facilities.**

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

**9 Rate setting; updating rates; evaluation; cost reporting.**

Amends § 256S.211.

**Subd. 1. Establishing base wages.** No changes.

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

**Subd. 3. Spending requirements.** Except for BI customized living services and CADL customized living services, requires at least 80 percent of the marginal increase in revenue from implementing the adjustments to the elderly waiver rate phase-in and service rate inflationary adjustments to be used to increase compensation-related costs for employees directly employed by the provider. Lists the items included in compensation-related costs. Specifies that compensation-related costs for persons employed in the central office of an entity that has an ownership interest in the provider or exercises control over the provider, or for persons paid by the provider under a management contract, do not count toward the 80 percent requirement. Requires providers that receive additional revenue subject to the 80 percent requirement to: (1) prepare a distribution plan that specifies the amount of money received and how that

**Section Description - Article 2: Aging Services**

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money was distributed to increase compensation-related costs for employees; and (2) post the distribution plan.

**Subd. 4. Evaluation of rate setting.** Requires the commissioner, in consultation with stakeholders, to evaluate certain elderly waiver rate setting elements beginning January 1, 2024, and every two years thereafter. Requires the commissioner to report to the legislature with a full report on elderly waiver rate setting beginning January 15, 2026, and every two years thereafter.

**Subd. 5. Cost reporting.** Requires providers enrolled to provide elderly waiver services to submit requested cost data to the commissioner to support evaluation of the elderly waiver rate methodology. Lists data that the commissioner may request. Requires a provider to submit cost data at least once in any five-year period for a fiscal year that ended not more than 18 months prior to the submission date. Requires the commissioner to: (1) provide notice to a provider prior to the provider's submission date; (2) temporarily suspend payments to a provider if cost data is not received 90 days after the required submission date; (3) make withheld payments once data is received by the commissioner; (4) coordinate the elderly waiver cost reporting activities with DWRS cost reporting activities; and (5) analyze cost documentation and submit recommendations on elderly waiver rate methodologies.

Makes subdivisions 2 to 4 effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained. Makes subdivision 5 effective January 1, 2025.

**10 Rate setting; adjusted base wage.**

Amends § 256S.214. Establishes a floor for the elderly waiver adjusted base wage of \$16.96.

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

**11 Home-delivered meals rate.**

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

Provides a January 1, 2024, effective date.

**Section Description - Article 2: Aging Services**

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- 12 Governor’s Council on an Age-Friendly Minnesota.**  
Amends Laws 2021, ch. 30, art. 12, § 5, as amended by Laws 2021, First Special Session ch. 7, art. 17, § 2. Extends the expiration date of the Governor’s Council on an Age-Friendly Minnesota from June 30, 2024, to June 30, 2027.
- 13 Age-friendly Minnesota.**  
Amends Laws 2021, First Special Session ch. 7, art. 17, § 8. Modifies the general fund base appropriations for the age-friendly community grant program and technical assistance grants for fiscal year 2025. Extends the expiration date of the grants.
- 14 Direction to commissioner of human services; caregiver respite services grants.**  
Requires the commissioner of human services to continue a temporary respite services grant program under the new program in section 256.9756. Authorizes the commissioner to begin the grant application process in fiscal year 2024 to facilitate continuity of the grant program during the transition from a temporary to a permanent program.
- 15 Direction to commissioner; future PACE implementation funding.**  
Requires the commissioner of human services to: (1) work with stakeholders to develop recommendations for financing mechanisms to complete the actuarial work and cover the administrative costs of a program of all-inclusive care for the elderly (PACE); (2) recommend a financing mechanism that could begin by July 1, 2024; and (3) inform the legislature on the commissioner’s progress toward developing a recommended financing mechanism by December 15, 2023.
- 16 Rate increase for certain home and community-based services.**  
Requires the commissioner of human services to increase payment rates for community living assistance and family caregiver services under alternative care, essential community supports, and elderly waiver by 15.8 percent from the rates in effect on December 31, 2023.  
  
Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 17 Temporary grant for small customized living providers.**  
Requires the commissioner of human services to establish a temporary grant for customized living providers that serve six or fewer people in a single-family home and that are transitioning to a community residential setting licensure or integrated community supports licensure. Lists allowable uses of grant money. Requires license holders of eligible settings to apply to the commissioner using an application process determined by the commissioner. Limits grants to \$20,000 per eligible setting and

**Section Description - Article 2: Aging Services**

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specifies grants are onetime. Allows the commissioner to approve grant applications on a rolling basis.

**18 Revisor instruction.**

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

**19 Repealer.**

Repeals. § 256S.2101, subds. 1 and 2 (elderly waiver rate setting; phase-in), effective January 1, 2024.

### **Article 3: Behavioral Health**

This article creates an Office of Addiction and Recovery and modifies provisions related to substance use disorder (SUD) treatment program requirements, licensing, client records, comprehensive assessments, and diagnostic assessments. It also modifies SUD treatment services requirements and rates for behavioral health fund payment, modifies the “48-hour rule” for priority admissions to state-operated treatment programs, establishes a sober home registry and related requirements, requires nonresidential SUD treatment programs that receive payment under MA to enroll in a federal demonstration project, establishes grant and training programs and a public awareness campaign, and directs the commissioner to revise the opioid treatment program rate methodology.

**Section Description - Article 3: Behavioral Health**

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**1 Office of Addiction and Recovery; director.**

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

**2 Staff and administrative support.**

Amends § 4.046, subd. 7. Modifies staff and administrative support provisions related to the creation of the Office of Addiction and Recovery.

**3 Facility or program.**

Amends § 245.91, subd. 4. Adds sober homes to definition of “facility” or “program” in chapter 245.

**4 American Society of Addiction Medicine criteria or ASAM criteria.**

Amends § 245G.01 by adding subd. 1a. Adds definition of “American Society of Addiction Medicine criteria or ASAM criteria” in SUD treatment licensing chapter.

**Section Description - Article 3: Behavioral Health**

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**5 Protective factors.**

Amends § 245G.01 by adding subd. 20c. Adds definition of “protective factors” in SUD treatment licensing chapter.

**6 Exemption from license requirement.**

Amends § 245G.02, subd. 2. Adds cross-reference to new subdivision. Makes section effective January 1, 2024.

**7 Comprehensive assessment.**

Amends § 245G.05, subd. 1. Increases the time for a comprehensive assessment from three days to five days after service initiation; specifies that the number of days excludes the day of service initiation. Removes language regarding comprehensive assessment requirements, to move to new subdivision. Requires that an alcohol and drug counselor sign and date the comprehensive assessment review and update.

Makes section effective January 1, 2024.

**8 Comprehensive assessment requirements.**

Amends § 245G.05 by adding subd. 3. Modifies comprehensive assessment requirements. Requires comprehensive assessments to meet specified requirements of diagnostic assessments, and to include:

- 1) a diagnosis of SUD or finding that the client does not meet criteria for SUD;
- 2) a determination regarding co-occurring mental health disorders;
- 3) a risk rating and summary to support the risk rating; and
- 4) a recommendation for the ASAM level of care.

Also requires a program to provide listed educational material to the client within 24 hours, if the client is assessed for opioid use disorder.

Makes section effective January 1, 2024.

**9 General.**

Amends § 245G.06, subd. 1. Modifies time frames by which an SUD treatment provider must develop an individual treatment plan for a client.

Makes section effective January 1, 2024.

**10 Individual treatment plan contents and process.**

Amends § 245G.06 by adding subd. 1a. Specifies individual treatment plan requirements and what individual treatment plans must identify for each client.

**Section Description - Article 3: Behavioral Health**

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- Makes section effective January 1, 2024.
- 11 Treatment plan review.**  
Amends § 245G.06, subd. 3. Modifies treatment plan review requirements. Removes weekly entry requirement and reference to six dimensions for assessments. Adds requirement to include toxicology results, if available; clarifies others whose participation must be documented; requires documentation of referrals made since the previous treatment plan review.  
  
Makes section effective January 1, 2024.
- 12 Frequency of treatment plan review.**  
Amends § 245G.06 by adding subd. 3a. Establishes treatment plan review frequency requirements for clients in residential treatment programs, once every 14 days. Requires treatment plan reviews for clients' nonresidential treatment at varying frequencies depending on client need and level of care.  
  
Makes section effective January 1, 2024.
- 13 Service discharge summary.**  
Amends § 245G.06, subd. 4. Updates cross-references. Makes section effective January 1, 2024.
- 14 Contents.**  
Amends § 245G.09, subd. 3. Modifies requirements for client record contents by removing assessment summary and updating cross-references. Makes section effective January 1, 2024.
- 15 Nonmedication treatment services; documentation.**  
Amends § 245G.22, subd. 15. Modifies individual and group counseling requirements for nonmedication opioid treatment services. Requires documentation of each offer of counseling services and of services provided. Strikes requirements for specific offers of treatment services and requirements related to treatment plan contents. Makes section effective January 1, 2024.
- 16 Standard diagnostic assessment; required elements.**  
Amends § 245I.10, subd. 6. Permits an alcohol and drug counselor to gather and document listed information when completing a comprehensive assessment. Adds information about withdrawal and other health symptoms; adds substance use and SUD assessment items.

**Section Description - Article 3: Behavioral Health**

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- 17     **Administrative requirements.**  
Amends § 253.10, subd. 1. Modifies “48-hour rule” requirements. Allows the commissioner to prioritize civilly committed patients who require emergency admission to a state-operated treatment program; specifies that the requirement for priority admission to state-operated treatment programs within 48 hours begins when a medically appropriate bed is available.
- 18     **American Society of Addiction Medicine criteria or ASAM criteria.**  
Amends § 254B.01 by adding subd. 2a. Adds definition of “American Society of Addiction Medicine criteria or ASAM criteria” in SUD treatment chapter.
- 19     **Skilled treatment services.**  
Amends § 254B.01 by adding subd. 9. Adds definition of “skilled treatment services” in SUD treatment chapter.
- 20     **Sober home.**  
Amends § 254B.01 by adding subd. 10. Adds definition of “sober home” in SUD treatment chapter.
- 21     **Comprehensive assessment.**  
Amends § 254B.01 by adding subd. 11. Adds definition of “comprehensive assessment” in SUD treatment chapter.
- 22     **Assessment criteria and risk descriptions.**  
Amends § 254B.04 by adding subd. 4. Codifies required SUD assessment criteria dimensions and risk descriptions currently in Minnesota Rules, part 9530.6622.
- 23     **Rate requirements.**  
Amends § 254B.05, subd. 5. Updates cross-reference to licensed outpatient treatment services; adds ASAM levels of care to SUD treatment services eligible for payment under chapter 254B; updates terminology and makes clarifying and technical changes; removes treatment services in clauses (7) and (8).
- 24     **Withdrawal management start-up and capacity-building grants.**  
Proposes coding for § 254B.17. Establishes start-up and capacity-building grants for prospective or new withdrawal management programs that will meet medically monitored or clinically monitored levels of care; lists eligible uses of grant funds related to staffing, infrastructure, and operations.



**Section Description - Article 3: Behavioral Health**

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**25 Sober homes.**

Proposes coding for § 254B.18. Establishes sober home requirements, certification, registry, resident bill of rights, and private right of action.

**Subd. 1. Requirements.** Lists requirements for sober homes; requires all sober homes to register with DHS.

**Subd. 2. Certification.** Requires the commissioner to establish a certification program for sober homes, which would be mandatory for any sober home receiving state, federal, or local funding. Lists what the certification requirements must include; requires certification renewal every three years.

**Subd. 3. Registry.** Requires the commissioner to create a registry listing certified sober homes; specifies information that must be included in the registry.

**Subd. 4. Bill of rights.** Lists the rights of individuals living in sober homes.

**Subd. 5. Private right of action.** Allows an individual to bring an action to recover damages caused by a violation of this section; specifies that a prevailing individual will receive double damages, costs, disbursements, attorney fees, and any other equitable relief the court deems appropriate.

**Subd. 6. Complaints; ombudsman for mental health and developmental disabilities.** Specifies that any complaints about a sober home may be made to and reviewed or investigated by the ombudsman for mental health and developmental disabilities.

**26 American Society of Addiction Medicine standards of care.**

Proposes coding for § 254B.19. Requires eligible vendors to implement the standards set by the ASAM for the respective level of care, for each client assigned an ASAM level of care. Lists additional requirements for ASAM levels 0.5, 1.0, 2.1, 2.5, 3.1, 3.3, 3.5, 3.2, and 3.7.

Requires a license holder to document formal patient referral arrangement agreements for specified ASAM levels of care not provided by the license holder.

Requires documentation of evidence-based practice utilization; lists required elements.

Requires eligible vendors providing services under ASAM levels of care to have a program outreach plan; lists plan requirements.

Makes section effective January 1, 2024.

**Section Description - Article 3: Behavioral Health**

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**27 Provider participation.**

Amends § 256B.0759, subd. 2. Requires licensed nonresidential SUD treatment programs that receive payment under MA to enroll in the federal demonstration project and meet requirements by January 1, 2025, to remain eligible for MA payment.

**28 Evidence-based training.**

Requires the commissioner to establish training opportunities for SUD treatment providers to increase knowledge and develop skills to adopt evidence-based and promising practices, and to support the transition to ASAM standards. Specifies topics that training may include.

**29 Family treatment start-up and capacity-building grants.**

Requires the commissioner to establish start-up and capacity-building grants for prospective or new SUD treatment programs that serve families with their children. Lists eligible uses for grant funds.

**30 Safe recovery sites start-up and capacity-building grants.**

Requires the commissioner to establish start-up and capacity-building grants for current or prospective harm reduction organizations; specifies eligible uses of grant funds related to the establishment of safe recovery sites. Requires the commissioner to conduct local community outreach and engagement in collaboration with newly established safe recovery sites; requires the commissioner to prioritize grant applications for culturally specific or culturally responsive organizations committed to serving individuals from communities disproportionately impacted by the opioid epidemic.

**31 Public awareness campaign.**

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

**32 Revised payment methodology for opioid treatment programs.**

Requires the commissioner to revise the payment methodology for substance use services with medications for opioid use disorder. Specifies requirements for the revised payment methodology.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later.

**Section Description - Article 3: Behavioral Health**

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- 33 **Medical assistance behavioral health system transformation study.**  
Requires the commissioner, in consultation with stakeholders, to evaluate coverage of traditional healing, behavioral health services in correctional facilities, and contingency management under MA.
- 34 **Revisor instruction.**  
Instructs the revisor to renumber and correct cross-references as necessary.
- 35 **Repealer.**  
Repeals §§ 245G.06, subd. 2 (individual treatment plan contents); 256B.0759, subd. 6 (medium intensity residential program demonstration project participation); and 246.18, subdivisions 2 and 2a (governing transfer of funds received by an SUD facility operated by a state-operated regional treatment center or nursing home). Provides effective dates for repealer paragraphs.

## **Article 4: Opioid Overdose Prevention and Opiate Epidemic Response**

This article modifies provisions related to opioid settlement fund deposits, requires various facilities and settings to maintain a supply of opiate antagonists, modifies the Opiate Epidemic Response Advisory Council membership and grantmaking requirements.

**Section Description - Article 4: Opioid Overdose Prevention and Opiate Epidemic Response**

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- 1 **Exceptions.**  
Amends § 16A.151, subd. 2. Modifies requirements for deposits of opioid settlement funds by removing references to specific paragraphs in § 256.043, subd. 3a. Provides an immediate effective date.
- 2 **Opiate antagonists.**  
Proposes coding for § 121A.224. Requires a school district or charter school to maintain a supply of opiate antagonists at each school site; requires each school building to have two doses of a nasal opiate antagonist available on site; requires the commissioner of health to develop and disseminate a brief training video on administering a nasal opiate antagonist.
- 3 **Deposit of fees.**  
Amends § 151.65, subd. 7. Strikes paragraph (c), which specifies that if registration fees for drug manufacturers of opiate-containing controlled substances are reduced

**Section Description - Article 4: Opioid Overdose Prevention and Opiate Epidemic Response**

(under subdivision being repealed in this article), \$5,000 of the reduced fee would be deposited into the opiate epidemic response fund.

**4 Correctional facilities; inspection; licensing.**

Amends § 241.021, subd. 1. Adds guidance on opioid overdose emergency procedures to required guidance promulgated by the commissioner of corrections.

**5 Minimum standards.**

Amends § 241.31, subd. 5. Requires community corrections programs to maintain a supply of opiate antagonists at each correctional site; requires each site to have at least two doses of a nasal opiate antagonist available on site and requires staff to be trained on administering opiate antagonists.

**6 Release plans; substance abuse.**

Amends § 241.415. Requires the commissioner of corrections to provide individuals with known or stated histories of opioid use disorder with emergency opiate antagonist rescue kits upon release.

**7 Emergency overdose treatment.**

Amends § 245G.08, subd. 3. Requires licensed SUD treatment programs to maintain a supply of opiate antagonists for emergency overdose treatment and to have a written standing order protocol.

**8 Membership.**

Amends § 256.042, subd. 2. Modifies Opiate Epidemic Response Advisory Council (OERAC) provisions to increase membership from 19 to 30, increase the number of members representing Tribes from two to 11, add two members representing urban American Indian populations, and reduce the proportion of members that must reside outside of the seven-county metropolitan area from one-half to one-third.

**9 Grants.**

Amends § 256.042, subd. 4. Adds requirement for the commissioner to award at least 50 percent of OERAC grants to projects focused on addressing the opioid crisis among Black and Indigenous communities and communities of color.

**10 Appropriations from registration and license fee account.**

Amends § 256.043, subd. 3. Modifies appropriations from opioid registration and license fee account by adding appropriations for opiate antagonist distribution, traditional healing practices, and administrative costs. Makes appropriations available for up to three years. Provides an immediate effective date.

**Section Description - Article 4: Opioid Overdose Prevention and Opiate Epidemic Response**

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- 11     **Appropriations from settlement account.**  
Amends § 256.043, subd. 3a. Makes appropriations for Tribal social service agency child protection initiative projects and OERAC grants available for up to three years. Provides an immediate effective date.
- 12     **Opiate antagonists.**  
Proposes coding for § 256I.052. Requires site-based or group housing support settings to maintain a supply of opiate antagonists at each housing site; requires each site to have at least two doses on site and requires staff training on administering opiate antagonists.
- 13     **Appropriations.**  
Amends Laws 2019, chapter 63, article 3, § 1, as amended by Laws 2020, chapter 115, article 3, § 35, and Laws 2022, chapter 53, §12. Strikes opiate epidemic response fund base appropriation language. Provides an immediate effective date.
- 14     **Opioid overdose surge alert system.**  
Requires the commissioner to establish a voluntary, statewide opioid overdose surge text message alert system.
- 15     **Harm reduction and culturally specific grants.**  
Requires the commissioner to establish grants for Tribal nations or culturally specific organizations to address the impacts of the opioid epidemic through harm reduction and expansion of culturally specific services; specifies allowable uses of grant funds related to harm reduction and culturally specific organizational capacity and service and outreach grant funds.
- 16     **Repealer.**  
Repeals § 256.043, subd. 4 (opioid manufacturer registration fee sunset/fee reduction). Makes section effective July 1, 2023.

## **Article 5: Opioid Prescribing Improvement Program**

This article modifies the opioid prescribing improvement program (OPIP) by removing references to opioid disenrollment standards, and requiring the program to be designed to support patient-centered care and discourage unsafe tapering practices and patient abandonment. The article allows the commissioner to investigate providers rather than terminating or disenrolling providers, allows the commissioner to impose sanctions against a vendor for violating Opioid Prescribing Work Group standards, and establishes sanction standards for providers enrolled in medical assistance.

**Section Description - Article 5: Opioid Prescribing Improvement Program**

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**1 Program established.**

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

**2 Definitions.**

Amends § 256B.0638, subd. 2. Modifies the definition of “opioid disenrollment standards,” to rename the term “opioid sanction standards” and refer to clinical indicators of opioid prescribing practices (rather than parameters) and to refer to provider sanctions (rather than to provider disenrollment). Also modifies the definition of “opioid prescriber.”

**3 Program components.**

Amends § 256B.0638, subd. 4. Removes references to opioid disenrollment standards.

**4 Program implementation.**

Amends § 256B.0638, subd. 5. Requires the DHS quality improvement program to be designed to support patient-centered care that is consistent with community standards, and discourage unsafe tapering practices and patient abandonment by providers. The section also:

- modifies requirements for provider quality improvement plans;
- requires prescribers treating patients who are on chronic, high doses of opioids to meet community standards of care, but these providers are not required to show measurable changes in chronic pain prescribing thresholds within a certain period;
- requires the commissioner to dismiss a prescriber from participating in the opioid prescribing quality improvement program when the prescriber demonstrates that their practices are patient-centered and reflect community standards; and
- allows the commissioner to investigate providers whose prescribing practices fall within the applicable opioid sanction standards (current law refers to provider termination and disenrollment standards).

**5 Sanction standards.**

Amends § 256B.0638, by adding subd. 8. States that providers enrolled in MA may be subject to sanctions for:

- 1) discontinuing, abruptly or through a rapid taper, chronic opioid analgesic therapy from daily doses greater or equal to 50 morphine milligram equivalents (MME) a day, without providing patient support;

**Section Description - Article 5: Opioid Prescribing Improvement Program**

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- 2) continuing chronic opioid analgesic therapy without a safety plan when specific red flags for opioid use disorder are present;
- 3) prescribing greater than 400 MME per day without: assessing the risk for opioid-induced respiratory depression, responding to evidence of opioid-related harm, and mitigating the risk of opioid-induced respiratory depression;
- 4) continuing chronic opioid analgesic therapy at the same dosage without a safety plan when risk factors for serious opioid-induced respiratory depression are present; and
- 5) failing to participate in the opioid prescribing improvement program for two consecutive years.

**6 Grounds for sanctions against vendors.**

Amends § 256B.064, subd. 1a. Allows the commissioner to impose sanctions against a vendor for violations of the sanction standards defined by the Opioid Prescribing Work Group for opioid prescribing practices that fall outside community standards.

States that this section is effective July 1, 2023.

## **Article 6: Department of Direct Care and Treatment**

This article contains provisions related to establishing a new agency, the Department of Direct Care and Treatment, separating Direct Care and Treatment from the Department of Human Services.

**Section Description - Article 6: Department of Direct Care and Treatment**

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**1 Departments of the state.**

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

Makes this section effective January 1, 2025.

**2 Applicability.**

Amends § 15.06, subd. 1. Adds the Department of Direct Care and Treatment to the list of departments or agencies.

Makes this section effective January 1, 2025.

**Section Description - Article 6: Department of Direct Care and Treatment**

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- 3 Additional unclassified positions.**  
Amends § 43A.08, subd. 1a. Adds the Department of Direct Care and Treatment to the list of departments or agencies.  
  
Makes this section effective January 1, 2025.
- 4 Title.**  
Proposes coding for § 246C.01. Provides citation for “Department of Direct Care & Treatment Act.”
- 5 Department of direct care and treatment; establishment.**  
Proposes coding for § 246C.02. Creates the Department of Direct Care and Treatment, to be headed by an executive board. Establishes executive board requirements and the scope of the department. Defines “community preparation services.”  
  
Makes this section effective January 1, 2025.
- 6 Transition of authority; development of a board.**  
Proposes coding for § 246C.03.  
  
**Subd. 1. Authority until board is developed and powers defined.** Specifies that DHS retains authority and responsibilities until legislation is effective that develops the Department of Direct Care and Treatment executive board and defines powers and responsibilities of the board and the department.  
  
**Subd. 2. Development of Department of Direct Care and Treatment Board.** Requires the commissioner of human services to prepare legislation for the 2024 legislative session necessary to create and implement the new board and department. Limits the board to five members, appointed by the governor. Describes board member qualifications.  
  
Makes this section effective July 1, 2023.
- 7 Transfer of duties.**  
Proposes coding for § 246C.04. Outlines requirements for transfer of duties between DHS and the new department. Specifies initial salary for the health systems CEO of the new department.
- 8 Employee protections for establishing the new Department of Direct Care and Treatment.**  
Proposes coding for § 246C.05. Outlines requirements for employees to be transferred to the new department from DHS. Describes protections for employees



**Section Description - Article 6: Department of Direct Care and Treatment**

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being transferred from DHS to the new department. Specifies that all collective bargaining and compensation plans covering DHS employees continue in full force for transferred employees. Makes section effective July 1, 2024.

**9 Revisor instruction.**

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

Makes this section effective July 1, 2023.

## **Article 7: Licensing**

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

**Section Description - Article 7: Licensing**

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**1 Grant of license; license extension.**

Amends § 245A.04, subd. 7. Modifies the circumstances under which the commissioner cannot issue a license under chapter 245A or may revoke a license under chapter 245A.

**2 Immediate suspension of residential programs.**

Adds a subdivision to § 245A.07. Modifies the process for issuing suspensions to licensed residential programs to provide for the continuity of care of recipients of the programs.

**3 Immediate suspension for program with multiple licensed service sites.**

Adds a subdivision to § 245A.07. Provides that a suspension order for a license holder that operates more than one service site under a single license must be specific to the site or sites where the commissioner has determined a suspension order is required.

**4 License not issued until license or certification fee is paid.**

Amends § 245A.10, subd. 6. Provides that the commissioner cannot reissue a license or certification until a license or certification fee is paid.

**Section Description - Article 7: Licensing**

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- 5      **License not reissued until outstanding debt is paid.**  
Adds a subdivision to § 245A.10. Specifies that the commissioner must not reissue a license or certification until the license holder has paid all outstanding debts related to licensing finds or settlement agreements. Outlines notice requirements and expiration provisions.
- 6      **Application.**  
Amends § 245A.13, subd. 1. Modifies requirements for the commissioner’s petition in district court related to receivership of a program; lists circumstances that must be proven by affidavit.
- 7      **Appointment of receiver.**  
Amends § 245A.13, subd. 2. Adds list of prohibited conduct by a managing agent when the commissioner is appointed as a receiver to operate a program. Requires the commissioner to establish and maintain a list of qualified persons or entities with experience in delivering services and with winding down licensed programs.
- 8      **Powers and duties of receiver.**  
Amends § 245A.13, subd. 3. Requires an appointed receiver to determine within 18 months after the receivership order whether to close the program or keep it open. Specifies requirements related to program closure and transfer of individuals served, corrective steps that must be made during the receivership, managing agent contracting and expenses, and other authority and requirements related to activities during receivership.
- 9      **Emergency procedure.**  
Amends § 245A.13, subd. 6. Shortens timeline from five to two days for a court to order a temporary order for appointment of a receiver. Specifies notice and hearing timelines and requirements.
- 10     **Rate recommendation.**  
Amends § 245A.13, subd. 7. Makes clarifying change.
- 11     **Receivership accounting.**  
Amends § 245A.13, subd. 9. Allows the commissioner to adjust Medicaid rates and use Medicaid funds and waiver funds for specified purposes, within the approved Medicaid state plan; adds receivership administrative fees to allowable purposes.

## Article 8: Appropriations

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



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