

Subject Department of Human Services Supplemental Budget Bill

Authors Noor

Analyst Danyell A. Punelli

Date April 25, 2024

Overview

This bill contains the human services supplemental budget, including provisions relating to disability services, aging services, substance use disorder services, priority admissions and civil commitment, establishing Direct Care and Treatment as an agency, the human services response contingency account, miscellaneous provisions, and appropriations.

Table of Contents

Article 1: Disability Services	2
Article 2: Aging Services	8
Article 3: Substance Use Disorder Services	11
Article 4: Priority Admissions and Civil Commitment.....	17
Article 5: Direct Care and Treatment Agency	20
Article 6: Human Services Response Contingency Account	31
Article 7: Miscellaneous.....	32
Article 8: Appropriations.....	35

Article 1: Disability Services

This article includes provisions to: eliminate parental fees for certain mental health and disability residential facilities, require counties to periodically initiate a competitive proposal process for contracted case management services, provide MnCHOICES flexibility, develop an MA hospital transition benefit, develop Tribal targeted case management, modify EIDBI provider qualifications, extend the direct care services corps pilot project, require a disability services person-centered engagement and navigation study, provide for assistive technology lead agency partnerships, reimburse parents and spouses for providing PCA services, establish a pediatric hospital-to-home transition pilot program, and establish own home services provider capacity-building.

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

1	General. Amends § 13.46, subd. 2, as amended by Laws 2024, ch. 80, art. 8, § 2. Makes a conforming change by removing a cross-reference that is being repealed.
2	Notice required. Amends § 245.821, subd. 1. Makes a conforming change by removing a cross-reference that is being repealed.
3	Rules governing aversive and deprivation procedures. Amends § 245.825, subd. 1. Makes a conforming change by removing a cross-reference that is being repealed.
4	Relative responsibility. Amends § 246.511, as amended by Laws 2024, ch. 79, art. 2, § 39. Makes a conforming change by removing a cross-reference that is being repealed.
5	Parental or guardian reimbursement to counties. Amends § 252.27, subd. 2b. Makes clarifying changes.
6	Host county responsibility. Amends § 252.282, subd. 1. Removes a definition for “local system needs planning” that is being moved to a new definitions subdivision.
7	Definitions. Amends § 252.282, by adding subd. 1a. Moves the existing definition of “local system needs planning” to this subdivision. Includes the definition of “related condition” in this subdivision since the existing definition is being repealed.

Section Description - Article 1: Disability Services

8 Related condition.

Amends § 256B.02, subd. 11. Moves the definition of “related condition” to this subdivision. The existing definition is in a section being repealed, but the definition still applies to other statutes.

9 Case management provided under contract.

Amends § 256B.076, by adding subd. 4. For mental health case management services, requires a county agency to initiate a competitive proposal process for the procurement of contracted case management services at least every two years if the county agency provides case management under contract with other individuals or agencies. Requires the competitive proposal process to include evaluation criteria to ensure that the county maintains a culturally specific program for case management services adequate to meet the needs of the county population.

Provides an August 1, 2024, effective date, and applies this change to contracts entered into or renewed on or after that date.

10 MnCHOICES assessor qualifications, training, and certification.

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

Provides a July 1, 2024, effective date.

11 MnCHOICES assessments; duration of validity.

Amends § 256B.0911, subd. 20. Extends the validity of certain MnCHOICES assessments to establish service eligibility to 365 days after the date of the assessment. Currently, these assessments are valid for 60 days after the date of assessment.

Provides a July 1, 2025, effective date.

12 Case management services.

Amends § 256B.092, subd. 1a. For case management services provided under the MA developmental disability waiver, requires a county agency to initiate a competitive proposal process for the procurement of contracted case management services at least every two years if the county agency provides case management under contract with other individuals or agencies. Requires the competitive proposal process to include evaluation criteria to ensure that the county maintains a culturally specific program for case management services adequate to meet the needs of the county population.

Section Description - Article 1: Disability Services

- Provides an August 1, 2024, effective date, and applies this change to contracts entered into or renewed on or after that date.
- 13 **Eligibility.**
Amends § 256B.0924, subd. 3. Makes a conforming change related to the cross-reference to the definition of “related condition.”
- 14 **EIDBI provider qualifications.**
Amends § 256B.0949, subd. 15. Modifies EIDBI provider qualifications by including certification by the Qualified Applied Behavior Analysis Credentialing Board for certain providers.
- 15 **Case management.**
Amends § 256B.49, subd. 13. For case management services provided under the CAC, CADI, and BI waivers, requires a county agency to initiate a competitive proposal process for the procurement of contracted case management services at least every two years if the county agency provides case management under contract with other individuals or agencies. Requires the competitive proposal process to include evaluation criteria to ensure that the county maintains a culturally specific program for case management services adequate to meet the needs of the county population.
- Provides an August 1, 2024, effective date, and applies this change to contracts entered into or renewed on or after that date.
- 16 **Eligible individuals.**
Amends § 256B.77, subd. 7a. Makes a conforming change related to the cross-reference to the definition of “related condition.”
- 17 **Elderly waiver case management provided by counties and Tribes.**
Amends § 256S.07, subd. 1. For case management services provided under the MA elderly waiver, requires a county agency to initiate a competitive proposal process for the procurement of contracted case management services at least every two years if the county agency provides case management under contract with other individuals or agencies. Requires the competitive proposal process to include evaluation criteria to ensure that the county maintains a culturally specific program for case management services adequate to meet the needs of the county population.
- Provides an August 1, 2024, effective date, and applies this change to contracts entered into or renewed on or after that date.

Section Description - Article 1: Disability Services

- 18 **Disclosure to commissioner of human services.**
Amends § 270B.14, subd. 1. Makes a conforming change by removing a cross-reference that is being repealed.
- 19 **Establishment.**
Amends § 447.42, subd. 1. Makes a conforming change related to the cross-reference to the definition of “related condition.”
- 20 **Evaluation and report.**
Amends Laws 2023, ch. 61, art. 1, § 67. Extends the due date of a report on the direct care services corps pilot project from January 15, 2025, to January 15, 2026.

Provides an immediate effective date.
- 21 **Direct care services corps pilot project.**
Amends Laws 2023, ch. 61, art. 9, § 2, subd. 5. Makes the appropriation for the direct care services corps pilot project available until June 30, 2026.

Provides an immediate effective date.
- 22 **Home care and community first services and supports hospital transition medical assistance benefit.**
Requires the commissioner of human services to develop a Medicaid state plan service for people eligible for MA home care services and CFSS for the purpose of transition support to and from acute care hospital settings. By January 1, 2025, requires the commissioner to report to the legislative committees with jurisdiction over health and human services finance and policy with the recommended MA service design and draft legislation with statutory changes necessary to implement the service.

Provides a July 1, 2024, effective date.
- 23 **Disability services person-centered engagement and navigation study.**
Requires the commissioner of human services to: (1) issue a request for proposals for the design and administration of a study of a person’s experience in accessing and navigating MA state plan and HCBS services and state funded disability services to improve people’s experience in accessing and navigating the system; and (2) report the results of the study and any recommendations to improve system accessibility, efficiency, and person-centered systemic design to the legislative committees with jurisdiction over health and human services by January 15, 2026. Requires the study to assess: (1) access to the range of disability services for people located in different communities across the state and for various populations; (2) how people and families experience and navigate the system; and (3) opportunities to improve state,

Section Description - Article 1: Disability Services

lead agency, and provider capacity to improve the experience of people. Specifies requirements an entity must meet to be eligible to respond to the request for proposals.

24 Tribal vulnerable adult and developmental disability targeted case management MA benefit.

Requires the commissioner of human services to engage with Minnesota’s federally recognized Tribal Nations and urban American Indian providers and leaders to design and recommend a Tribal-specific vulnerable adult and developmental disability MA targeted case management benefit to meet community needs and reduce disparities experienced by Tribal members and urban American Indian populations. Requires the commissioner to honor and uphold Tribal sovereignty as part of this engagement. By January 1, 2025, requires the commissioner to report recommendations to the legislative committees with jurisdiction over health and human services finance and policy. Requires recommendations to include a description of engagement with Tribal Nations, Tribal perspectives, service design, and reimbursement methodology.

Provides a July 1, 2024, effective date.

25 Assistive technology lead agency partnerships.

Allows lead agencies to: (1) establish partnerships with enrolled MA providers of alternative care and the MA home and community-based services waivers to evaluate the benefits of informed choice in accessing specified assistive technology services; (2) identify eligible individuals who desire to participate in the partnership; (3) identify efficiencies for service authorizations, provide evidence-based cost data and quality analysis, and collect feedback on the use of technology systems from recipients, family caregivers, and any other interested community partnerships. Requires lead agencies to ensure individuals who choose to participate have informed choice in accessing services.

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

Allows a parent, stepparent, or legal guardian of a minor who is a PCA recipient or the spouse of a PCA recipient to provide and be paid for providing PCA services under MA. Requires the commissioner to seek federal approval for these payments. Requires the commissioner to make payments for services rendered without federal financial participation until federal approval is obtained. Makes this section expire upon full implementation of CFSS. Requires the commissioner of human services to notify the revisor of statutes when this section expires.

Makes this section effective retroactively from November 11, 2023.

Section Description - Article 1: Disability Services

- 27 **Pediatric hospital-to-home transition pilot program.**
Requires the commissioner of human services to award a single competitive grant to a home care nursing provider to develop and implement, in coordination with other specified entities, a pilot program to expedite and facilitate pediatric hospital-to-home discharges for patients receiving services under MA, including under certain MA disability waivers. Specifies allowable uses of grant money. Prohibits grant money from being used to supplement payment rates for MA covered services. Requires the commissioner to prepare a report summarizing the impact of the pilot program and submit the report to the legislative committees with jurisdiction over health and human services by December 15, 2026.
- 28 **Own home services provider capacity-building grants.**
This section establishes a onetime grant program to incentivize providers to support individuals to move out of congregate living settings.
- Subd. 1. Establishment.** Establishes a onetime grant program to incentivize providers to support individuals to move out of congregate living settings and into an individual’s own home.
- Subd. 2. Eligible grant recipients.** Specifies eligible grant recipients are home and community-based services (HCBS) providers who are subject to the HCBS standards chapter of statutes.
- Subd. 3. Grant application.** Requires providers to apply on the forms and according to the timelines established by the commissioner in order to receive an own home services provider capacity-building grant.
- Subd. 4. Allowable uses of grant money.** Lists the allowable uses of grant money including: (1) enhancing resources and staffing to support people and families in understanding housing options; and (2) housing expenses related to moving an individual into their own home.
- Subd. 5. Expiration.** Provides a June 30, 2026, expiration date for this section.
- 29 **Repealer.**
Repeals Minn. Stat. § 252.021 (definition); and § 252.27, subds. 1a (definitions), 2 (parental responsibility), 2a (contribution amount), 3 (civil actions), 4a (order of payment), 5 (determination; redetermination; notice), and 6 (appeals).

Article 2: Aging Services

This article includes provisions to allow for certain assisted living facilities to relocate, provide for a limited exemption from the customized living setting moratorium and age limits, modify requirements for assisted living correction orders, expand the financially distressed nursing facility loan program to other long-term services and supports providers, and sunset the elderly waiver disproportionate share payments.

Section Description - Article 2: Aging Services

1 Facility relocation.

Creates § 144G.195.

Subd. 1. New license not required. Effective March 15, 2025, allows an assisted living facility with a licensed capacity of ten residents or fewer to operate under the facility's current license if the facility is relocated with the approval of the commissioner during the period the current license is valid. Specifies a licensee is not required to apply for a new license solely because the licensee receives approval to relocate a facility. Requires the commissioner to apply the licensing and survey cycle previously established for the facility's prior location to the facility's new location. Specifies the process for the licensee to notify the commissioner of the intent to relocate and for the commissioner to approve or deny the relocation. Specifies licensee requirements once a relocation has been approved or denied.

Subd. 2. Limited exemption from the customized living setting moratorium and age limitations. Requires a licensee that receives approval from the commissioner of health to relocate to inform the commissioner of human services of the licensee's intent to relocate if the licensee is enrolled with DHS as a customized living setting to deliver 24-hour customized living services and customized living services under the BI and CADI waivers, and to inform the commissioner of human services if the licensee is providing customized living or 24-hour customized living services to at least one individual at the time of the intended relocation and intends to continue to serve that individual in the new location.

Provides an August 1, 2024, effective date, except subdivision 2 is effective August 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.

2 Correction orders.

Amends § 144G.30, subd. 5. When the commissioner issues a correction order to an assisted living facility, requires the facility to post or otherwise make available the facility's plan of correction documenting actions taken to comply with the correction

Section Description - Article 2: Aging Services

order. After the facility makes the plan of correction available, also requires the facility to provide the plan of correction to any individual who requests it within 30 days after the request.

Effective date: This section is effective August 1, 2024, and applies to correction orders issued on or after that date.

3 Orientation of staff and supervisors.

Amends § 144G.63, subd. 1. Modifies assisted living facility staff orientation requirements when a staff person transfers from one licensed assisted living facility to another operated by the same licensee or by a licensee affiliated with the same corporate organization as the licensee of the first facility, or to another facility managed by the same entity managing the first facility.

4 Initial reviews, assessments, and monitoring.

Amends § 144G.70, subd. 2. Modifies assisted living facility resident reassessment and monitoring requirements.

5 Limited exemption from the customized living setting moratorium and age limitations.

Amends § 256B.49, by adding subd. 28a. Defines “operational” for purposes of this subdivision. Applies this paragraph only to customized living settings enrolled and operational on or before June 30, 2021, and customized living settings that have previously been exempt from the customized living moratorium. Exempts certain settings for which a provider receives approval from the commissioner of health to relocate from the customized living moratorium. Applies this paragraph only to customized living settings enrolled and operational on or before June 30, 2021, and customized living settings that have previously been deemed a tier 1 customized living setting. Deems certain settings for which a provider receives approval from the commissioner of health to relocate as a current tier 1 setting for purposes of applying the home and community-based residential tiered standards under Minnesota’s HCBS Rule Statewide Transition Plan.

Provides an August 1, 2024, 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 Long-term services and supports loan program.

Amends § 256R.55.

Section Description - Article 2: Aging Services

Subd. 1. Long-term services and supports loan program. Expands the financially distressed nursing facility loan program to other long-term services and supports providers and renames the program accordingly.

Subd. 2. Eligibility. Makes conforming changes and establishes eligibility criteria for other long-term services and supports providers.

Subd. 2a. Allowable uses of loan funds. Lists allowable uses of loan funds.

Subd. 3. Approving loans. No changes.

Subd. 4. Disbursement schedule. Removes language allowing for loans to be disbursed as a time-limited line of credit.

Subd. 5. Loan administration. No changes.

Subd. 6. Loan payments. Makes conforming changes.

Subd. 7. Loan repayment. Makes conforming changes.

Subd. 8. Audit. No changes.

Subd. 8a. Special revenue account. Creates a long-term services and supports loan account in the special revenue fund in the state treasury. Transfers money appropriated for the loan program to the long-term services and supports loan account.

Subd. 9. Carryforward. Removes language referencing the expiration of the loan program.

Subd. 10. Expiration. Removes the expiration of the loan program.

Provides a July 1, 2024, effective date, except the special revenue account is effective retroactively from July 1, 2023.

7 Rate adjustment application.

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

Section Description - Article 2: Aging Services

- 8 **Rate adjustment eligibility criteria.**
Amends § 256S.205, subd. 3. Retroactively sunsets eligibility for a disproportionate share facility rate adjustment effective September 30, 2023. Provides an expiration date of January 1, 2025, for this subdivision.
- 9 **Rate adjustment; rate floor.**
Amends § 256S.205, subd. 5. Sunsets the rate floor established for 24-hour customized living services provided to an elderly waiver participant in a designated disproportionate share facility effective December 31, 2024. Provides an expiration date of January 1, 2025, for this subdivision.
- 10 **Grant programs; aging and adult services grants.**
Amends Laws 2023, ch. 61, art. 9, § 2, subd. 14. Makes a conforming change related to the long-term services and supports loan program.
- 11 **PACE implementation.**
By January 15, 2025, requires the commissioner of human services to submit to the legislature a proposal for the implementation of PACE. Lists information that must be included in the commissioner's proposal.
- 12 **Revisor instruction.**
Requires the revisor of statutes to renumber the long-term services and supports loan program statute and correct all cross-references.
- 13 **Repealer.**
Repeals Minn. Stat. § 256S.205, subd. 4 (designation as a disproportionate share facility), effective the day following final enactment.

Article 3: Substance Use Disorder Services

This article includes provisions to remove the sunset on opioid manufacturer and distributor fees, expand the uses of opiate epidemic response fund appropriations, modify peer recovery support services, and establish a reentry demonstration waiver.

Section Description - Article 3: Substance Use Disorder Services

- 1 **Deposit of fees.**
Amends § 151.065, subd. 7. Removes language requiring reduced fees to be deposited into the opiate epidemic response fund.

Section Description - Article 3: Substance Use Disorder Services

2 Facility or program.

Amends § 245.91, subd. 4. Expands the definition of “facility” or “program” under the statutes governing the ombudsman for mental health and developmental disabilities to include peer recovery support services provided by a recovery community organization.

3 Peer recovery support services.

Amends § 245F.08, subd. 3. Modifies requirements peer recovery support services must meet by adding cross-references to relevant statutes.

Makes section effective January 1, 2025.

4 Additional treatment service.

Amends § 245G.07, subd. 2. Modifies the list of services a licensed substance use disorder treatment facility may provide. Modifies the requirements of and services provided under peer recovery support services by adding cross-references to relevant statutes; makes technical changes.

Makes section effective January 1, 2025.

5 Recovery peer scope of practice.

Amends § 245I.04, subd. 19. Expands the list of who may supervise a recovery peer to include mental health professionals. Requires a recovery peer to provide individual recovery planning to each client. Lists activities licensed alcohol and drug counselors and mental health professionals supervising a recovery peer must complete when providing supervision.

6 Individual recovery plan.

Amends § 254B.01, by adding subd. 4e. Defines “individual recovery plan” in the chapter of statutes governing substance use disorder treatment.

7 Recovery peer.

Amends § 254B.01, by adding subd. 8a. Defines “recovery peer” in the chapter of statutes governing substance use disorder treatment.

8 Licensure or certification required.

Amends § 254B.05, subd. 1. Requires recovery community organizations to meet certification rather than membership requirements in specified organizations; modifies certification or accreditation organizations. Modifies the list of qualifications peer recovery support services vendors must meet to be eligible vendors. Requires recovery community organizations approved by the commissioner before June 30, 2023, to meet the peer recovery support services vendor qualifications by

Section Description - Article 3: Substance Use Disorder Services

September 1, 2024, in order to be eligible vendors of peer recovery support services. Clarifies appeals language. Allows complaints about a recovery community organization or peer recovery support services to be made to and reviewed or investigated by the ombudsperson for behavioral health and developmental disabilities.

Provides an immediate effective date, except the amendments related to recovery community organization complaints and the Office of Ombudsman for Mental Health and Developmental Disabilities are effective July 1, 2025.

9 Rate requirements.

Amends § 254B.05, subd. 5. Removes obsolete language. Requires eligible vendors of peer recovery support services to submit to a review of up to ten percent of all MA and behavioral health fund claims for entities billing for peer recovery support services individually and not receiving a daily rate. Limits an individual client to 14 hours per week of peer recovery support services from an individual provider and requires authorization for more than 728 hours of peer recovery support services per calendar year for an individual client. Subjects peer recovery support services not provided in accordance with specified requirements to monetary recovery.

Provides a January 1, 2025, effective date.

10 Peer recovery support services requirements.

Creates § 254B.052.

Subd. 1. Peer recovery support services; service requirements. Describes requirements that must be met when providing peer recovery support services. Allows peer recovery support services to include limited transportation or group activities directly related to a client's individual recovery plan. Requires written notice for clients receiving peer recovery support service, and requires services to be voluntary. Prohibits peer recovery support services from being provided to a client residing with or employed by a recovery peer from whom they receive services.

Subd. 2. Individual recovery plan. Requires the individual recovery plan to be developed with the client and completed within the first three sessions with a recovery peer. Allows a recovery peer to bill for up to two hours prior to the client's completion of a comprehensive assessment. Lists the information that must be included in the individual recovery plan.

Subd. 3. Eligible vendor documentation requirements. Requires an eligible vendor of peer recovery support services to keep a secure file for each individual

Section Description - Article 3: Substance Use Disorder Services

receiving MA peer recovery support services. Lists the information that must be included in the file.

Provides a January 1, 2025, effective date.

11 Appropriation from registration and license fee account.

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

12 Reentry Demonstration Waiver.

Creates § 256B.0761.

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

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

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

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

Subd. 5. Provider requirements and standards. Requires service providers to: (1) adhere to applicable licensing and provider requirements under chapters of statutes governing human services licensing, SUD licensed treatment facilities, the Mental Health Uniform Service Standards Act, SUD treatment, medical assistance, and housing support; and (2) be enrolled to provide services under Minnesota health care programs. Allows services to be provided by eligible providers employed by the correctional facility or by eligible community providers under contract with the correctional facility. Requires the

Section Description - Article 3: Substance Use Disorder Services

commissioner to determine whether each facility is ready to participate in this demonstration based on a facility-submitted assessment of the facility's readiness to implement specified activities. Requires participating facilities to detail reinvestment plans for all new federal Medicaid funds expended for reentry services that were previously the responsibility of each facility and provide detailed financial reports to the commissioner.

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

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

Provides a January 1, 2026, effective date, or upon federal approval, whichever is later, except subdivision 7 is effective July 1, 2024. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

13 Limitation of choice.

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

Provides a January 1, 2026, 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.

14 Grant programs; chemical dependency treatment support grants.

Amends Laws 2023, ch. 61, art. 9, § 2, subd. 18. Provides carryforward authority for the fiscal year 2024 and 2025 project ECHO appropriations until June 30, 2027.

Section Description - Article 3: Substance Use Disorder Services

- 15 **Direction to ombudsman for mental health and developmental disabilities.**
By September 30, 2025, requires the ombudsman for mental health and developmental disabilities to provide a report to the governor and the legislature containing summary information on complaints received regarding peer recovery support services provided by a recovery community organization and any recommendations to the legislature to improve the quality of peer recovery support services, recovery peer worker misclassifications, and peer recovery support services billing codes and procedures.
- 16 **Peer recovery support services and recovery community organization working group.**
Establishes a peer recovery support services and recovery community organization working group.
- Subd. 1. Establishment; duties.** Requires the commissioner of human services to convene a working group to develop recommendations on various topics related to peer recovery support services and recovery community organizations, including billing rates and practices, acceptable activities to bill for peer recovery support services, improving recovery peer supervision, and certification or other regulation of recovery community organizations and recovery peers.
- Subd. 2. Membership; meetings.** Lists the members of the working group. Requires the commissioner to: (1) make appointments to the working group by July 1, 2024, and convene the first meeting of the working group by August 1, 2024; and (2) provide administrative support and meeting space for the working group. Allows the working group to conduct meetings remotely.
- Subd. 3. Report.** Requires the commissioner to complete and submit a report on the recommendations of the working group to the legislative committees with jurisdiction over health and human services policy and finance on or before December 15, 2024.
- Subd. 4. Expiration.** Makes the working group expire upon submission of the report to the legislature.
- 17 **Capacity-building and implementation grants for the MA reentry demonstration.**
Requires the commissioner of human services to establish capacity-building grants for eligible correctional facilities as they prepare to implement reentry demonstration services. Lists allowable expenditures under the grant.
- 18 **1115 waiver for MA reentry demonstration.**
Requires the commissioner of human services to submit an application to the federal government to implement an MA reentry demonstration that covers services for

Section Description - Article 3: Substance Use Disorder Services

incarcerated individuals. Makes coverage of prerelease services contingent on federal approval of the demonstration and the required implementation and reinvestment plans.

19 Repealer.

Repeals Minn. Stat. § 256.043, subd. 4 (settlement; sunset), effective July 1, 2024.

Article 4: Priority Admissions and Civil Commitment

This article includes provisions to implement some of the recommendations from the Task Force on Priority Admissions to State-Operated Treatment Programs, reimburses Beltrami County for certain cost of care payments, and establishes a Task Force on Mentally Ill and Dangerous Civil Commitment Reform.

Section Description - Article 4: Priority Admissions and Civil Commitment

1 Additional requirements for locked program facility.

Amends § 245I.23, subd. 19a. Removes a requirement that a license holder's policies and procedures clearly describe the types of court orders that authorize the license holder to prohibit clients from leaving the facility. Makes technical changes.

2 Administrative requirements.

Amends § 253B.10, subd. 1, as amended by Laws 2024, ch. 79, art. 5, § 8. Makes various changes to priority admissions to state-operated treatment programs, including:

- Prioritizing committed persons being admitted from jail or a correctional institution to a medically appropriate direct care and treatment (DCT) program based on the decisions of physicians in the executive medical director's office, using a new priority admissions framework.
- Listing the factors for which the framework must account for priority admission.
- Requiring a panel appointed by the commissioner, consisting of task force members, to: (1) evaluate the 48-hour timeline for priority admissions and submit a written report to the legislature; (2) advise the commissioner on the effectiveness of the framework and priority admissions generally; and (3) review de-identified data quarterly for one year following the implementation of the framework to ensure that the framework is implemented and applied equitably.
- After the panel completes its year of review, requiring a quality committee established by the Department of Direct Care and Treatment

Section Description - Article 4: Priority Admissions and Civil Commitment

executive board to continue to review data and provide a routine report to the executive board on the effectiveness of the framework and priority admissions.

Makes this section effective July 1, 2024.

3 Intensive residential treatment services.

Amends Laws 2023, ch. 70, art. 20, § 16, subd. 2. Removes a fiscal year 2024 appropriation for locked intensive residential treatment services.

4 Direction to commissioner of human services; reimbursement to Beltrami County for certain cost of care payments.

Prohibits the commissioner of human services from sanctioning or otherwise seeking payment from Beltrami County for the cost of care provided at Anoka-Metro Regional Treatment Center or a community-based behavioral health hospital for the cost of care provided between July 1, 2022, and June 30, 2023, for clients awaiting transfer to another state-operated facility or program when determined to be clinically appropriate. Requires the state to reimburse Beltrami County with state money any amount previously paid to the state or otherwise recovered by the commissioner for the cost of care. States nothing in this section prohibits the commissioner from seeking reimbursement from Beltrami County for the cost of care provided in Anoka-Metro Regional Treatment Center or a state-operated community-based behavioral health hospital for care not described in this section. Specifies the client is not responsible for payment of the cost of care.

Provides an immediate effective date.

5 Mentally Ill and Dangerous Civil Commitment Reform Task Force.

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

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

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

Subd. 3. Compensation; removal; vacancy. Allows members of the task force to be compensated according to the statute governing advisory councils and

Section Description - Article 4: Priority Admissions and Civil Commitment

committees. Allows members to be removed by the appointing authority at any time at the pleasure of the appointing authority. In the case of a vacancy on the task force, requires the appointing authority to appoint an individual to fill a vacancy for the remainder of the unexpired term.

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

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

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

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

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

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

Provides an immediate effective date.

6 Engagement services pilot grants.

Subd. 1. Creation. Establishes the engagement services pilot grant program to provide grants to counties or certified community behavioral health clinics to provide engagement services under the services for engagement in treatment program. Specifies that engagement services provide early interventions to prevent an individual from meeting the criteria for civil commitment and promote positive outcomes.

Subd. 2. Allowable grant activities. Lists the activities for which grantees may use grant funding. Requires engagement services staff to have completed training on person-centered care. Allows engagement services staff to include mobile crisis providers, certified peer specialists, community-based treatment programs staff, and homeless outreach workers.

Section Description - Article 4: Priority Admissions and Civil Commitment

7 Direction to commissioner of human services; limited exception for admission from hospital settings.

Allows the commissioner to immediately approve an exception to add up to ten civilly committed patients who are awaiting admission in hospital settings to the priority admissions waiting list for admission to medically appropriate DCT programs. Requires admissions of these patients to be managed according to the priority admissions framework. Makes this exception expire upon the commissioner's approval of the exception for ten patients.

Makes this section effective the day following final enactment.

8 County correctional facility mental health medication pilot program.

Subd. 1. Authorization. Requires the commissioner of human services to establish a pilot program that provides payments to counties, to support county correctional facilities in delivering injectable medications to prisoners for mental health treatment.

Subd. 2. Application. Outlines application requirements.

Subd. 3. Pilot program payments; allowable uses. Outlines allowable uses of pilot program reimbursement payments.

Subd. 4. Pilot program payment allocation. Outlines how payments will be allocated.

Subd. 5. Report. Requires the commissioner to provide a summary report to the legislature on the pilot program by December 15, 2025.

Article 5: Direct Care and Treatment Agency

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

Section Description - Article 5: Direct Care and Treatment Agency

1 Definitions.

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

Provides a July 1, 2024, effective date.

Section Description - Article 5: Direct Care and Treatment Agency

2 Definitions.

Amends § 13.46, subd. 1, as amended by Laws 2024, ch. 79, art. 9, § 1, and Laws 2024, ch. 80, art. 8, § 1. Makes a conforming change to the name of the new DCT agency in the section of statutes governing welfare data.

Provides a July 1, 2024, effective date.

3 General.

Amends § 13.46, subd. 2, as amended by Laws 2024, ch. 80, art. 8, § 2. Allows Direct Care and Treatment to share private data on individuals with the Departments of Human Services, Employment and Economic Development, Children, Youth, and Families, and Education for specified purposes.

Provides a July 1, 2024, effective date.

4 Responsible authority.

Amends § 13.46, subd. 10, as amended by Laws 2024, ch. 79, art. 9, § 2. Makes a conforming change to the name of the new DCT agency and makes the chief executive officer rather than the executive board the responsible authority for DCT in the section of statutes governing welfare data.

Provides a July 1, 2024, effective date.

5 Departments of the state.

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

Provides a July 1, 2024, effective date.

6 Applicability.

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

Provides a July 1, 2024, effective date.

7 Creation.

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

8 Submission of recommendations and determination.

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

Section Description - Article 5: Direct Care and Treatment Agency

- 9 **No ex parte communications.**
Amends § 15A.082, subd. 7. Makes conforming changes related to the determination of daily compensation for DCT executive board voting members.
- 10 **Unclassified positions.**
Amends § 43A.08, subd. 1. Makes conforming changes related to the creation of the chief executive officer of DCT.

Provides a July 1, 2024, effective date.
- 11 **Additional unclassified positions.**
Amends § 43A.08, subd. 1a. Makes a conforming change.

Provides a July 1, 2024, effective date.
- 12 **Review organization.**
Amends § 145.61, subd. 5. Adds DCT to the definition of “review organization” in the chapter of statutes governing public health organizations.

Provides a July 1, 2024, effective date.
- 13 **Duties.**
Amends § 246.018, subd. 3, as amended by Laws 2024, ch. 79, art. 1, § 6. Makes conforming changes related to the establishment of the DCT executive board and chief executive officer.

Provides a July 1, 2024, effective date.
- 14 **Definitions; risk assessment and management.**
Amends § 246.13, subd. 2, as amended by Laws 2024, ch. 79, art. 2, § 4. Makes conforming changes related to the transfer of authority for state-operated services from DHS to DCT.

Provides a July 1, 2024, effective date.
- 15 **Reciprocal exchange of certain persons.**
Amends § 246.234, as amended by Laws 2024, ch. 79, art. 1, § 11. Makes technical changes.

Provides a July 1, 2024, effective date.

Section Description - Article 5: Direct Care and Treatment Agency

- 16 **Acceptance of voluntary, uncompensated services.**
Amends § 246.36, as amended by Laws 2024, ch. 79, art. 1, § 14. Makes technical changes and removes language allowing for volunteer agencies, organizations, or persons to purchase supplies, services, and equipment to be used providing services to residents of state facilities through the Department of Administration.

Provides a July 1, 2024, effective date.
- 17 **Title.**
Amends § 246C.01. Makes a conforming change to the name of the new DCT agency.

Provides a July 1, 2024, effective date.
- 18 **Direct Care and Treatment; Establishment.**
Amends § 246C.02, as amended by Laws 2024, ch. 79, art. 1, § 19.

 Subd. 1. Establishment. Makes technical changes.

 Subd. 2. Mission. Repeals this subdivision.

 Subd. 3. DCT services. Makes technical changes and moves language from subdivision 2 to this subdivision.

 Subd. 4. Statewide services. No changes.

 Subd. 5. Department of Human Services as state agency. No changes.

Provides a July 1, 2024, effective date.
- 19 **Transfer of duties.**
Amends § 246C.04, as amended by Laws 2024, ch. 79, art. 1, § 21. Makes technical and conforming changes. Removes language related to the initial salary for the DCT chief executive officer. Requires the commissioner of human services to continue to exercise all authorities and responsibilities for state-operated services, programs, and facilities subject to transfer to DCT until July 1, 2025. Effective July 1, 2025, the powers and duties vested in or imposed upon the commissioner of human services related to any state-operated service, program, or facility are transferred to the DCT executive board. Requires the commissioner of human services to continue to exercise all authorities and responsibilities related to state-operated services, programs, and facilities subject to transfer until July 1, 2025.

Provides a July 1, 2024, effective date.

Section Description - Article 5: Direct Care and Treatment Agency

20 Employee protections for establishing DCT.

Amends § 246C.05, as amended by Laws 2024, ch. 79, art. 1, § 22. Makes technical and conforming changes.

Provides a July 1, 2024, effective date.

21 Powers and duties of the executive board.

Creates § 246C.07.

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

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

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

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

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

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

Subd. 7. Advisory committee. Requires the executive board to establish an advisory committee to provide state legislators, counties, union representatives, NAMI Minnesota, people being served by DCT programs, and other stakeholders the opportunity to advise the board regarding the operation of DCT. Specifies how members of the state legislature are appointed to the advisory committee.

Section Description - Article 5: Direct Care and Treatment Agency

Requires the board to regularly consult with the advisory committee. Makes the advisory committee expire December 31, 2027.

Provides a July 1, 2024, effective date.

22 Chief executive officer; service; duties.

Creates § 246C.08.

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

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

Provides a July 1, 2024, effective date.

23 DCT accounts.

Creates § 246C.091.

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

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

Section Description - Article 5: Direct Care and Treatment Agency

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

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

Provides a July 1, 2024, effective date.

24 Social welfare fund established.

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

Provides a July 1, 2024, effective date.

25 Fund deposited in state treasury.

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

Provides a July 1, 2024, effective date.

26 Social welfare fund; use; disposition; depositories.

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

Provides a July 1, 2024, effective date.

27 Purposes.

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

Provides a July 1, 2024, effective date.

28 Commissioner of human services and DCT, accounts.

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

Provides a July 1, 2024, effective date.

Section Description - Article 5: Direct Care and Treatment Agency

29 Effective date.

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

30 Effective date.

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

31 Effective date.

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

32 Effective date.

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

33 Definitions.

Amends Laws 2024, ch. 79, art. 1, § 18. Makes conforming changes to definitions in the chapter of statutes governing DCT and adds a definition of "Direct Care and Treatment."

Provides a July 1, 2024, effective date.

34 Executive board; membership; governance.

Amends Laws 2024, ch. 79, art. 1, § 23.

Subd. 1. Establishment. Makes technical changes to reflect the correct title of the DCT agency.

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

Section Description - Article 5: Direct Care and Treatment Agency

being an employee of DCT; an employee of a county, including a county commissioner; an active employee or representative of a labor union that represents employees of DCT; or a member of the state legislature.

Subd. 3. Procedures. Removes language related to qualifications of board members and, except as otherwise provided, makes the membership terms, compensation, and removal and filling of vacancies for the executive board governed by the section of statutes governing administrative boards and agencies.

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

Subd. 5. Acting chair; officers. Removes language related to receipt of federal aid or block grants and requires the governor to designate one member from the voting membership appointed by the governor as acting chair of the executive board. Requires the executive board to elect a chair from among the voting membership appointed by the governor at the first meeting of the board. Requires the board to annually elect a chair from among the voting membership appointed by the governor. Requires the board to elect officers from among the voting membership appointed by the governor and requires elected officers to serve for one year.

Subd. 6. Terms. Removes language related to the operation of a communications systems account and specifies terms and term limits for executive board members. Requires the commissioner of human services to serve until replaced by the governor. Allows an executive board member to resign at any time by giving written notice to the executive board.

Section Description - Article 5: Direct Care and Treatment Agency

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

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

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

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

Subd. 11. Rulemaking. Authorizes the executive board to adopt, amend, and repeal rules as necessary to implement any responsibilities of DCT specified in state law. Allows the executive board to adopt rules using the expedited rulemaking process until July 1, 2027. Continues in effect all orders, rules, delegations, permits, and other privileges issued or granted by DHS with respect to any function of DCT and in effect at the time of the establishment of DCT. Prohibits the board from adopting rules that go into effect or enforcing rules prior to July 1, 2025.

Provides a July 1, 2024, effective date.

35 **Forensic services.**

Amends Laws 2024, ch. 79, art. 1, § 24. Makes technical changes and makes rulemaking permissive instead of required.

Provides a July 1, 2024, effective date.

36 **Comprehensive system of services.**

Amends Laws 2024, ch. 79, art. 1, § 25, subd. 3. Makes a grammatical correction.

Provides a July 1, 2024, effective date.

37 **Revisor instruction.**

Amends Laws 2024, ch. 79, art. 10, § 1. Renumbers certain statutes that are moving due to the establishment of the DCT agency.

Section Description - Article 5: Direct Care and Treatment Agency

38 Effective date.

Amends Laws 2024, ch. 79, art. 10, § 6. Makes the DCT recodification act effective July 1, 2024.

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

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

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

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

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

Provides a July 1, 2024, effective date.

40 Revisor instruction.

Requires the revisor of statutes to: (1) change the term “Department of Human Services” to “Direct Care and Treatment” wherever the term appears in respect to the governmental entity with programmatic direction and fiscal control over state-operated services, programs, or facilities; and (2) make technical and other necessary changes to sentence structure to preserve the meaning of the text.

Provides an immediate effective date.

Section Description - Article 5: Direct Care and Treatment Agency

41 Revisor instruction.

Requires the revisor of statutes to: (1) change the term “Department of Direct Care and Treatment” to “Direct Care and Treatment” wherever the term appears in respect to the governmental entity with programmatic direction and fiscal control over state-operated services, programs, or facilities; and (2) make technical and other necessary changes to sentence structure to preserve the meaning of the text.

Provides an immediate effective date.

42 Revisor instruction.

Requires the revisor of statutes, in consultation with nonpartisan legislative staff, the Department of Human Services, and DCT, to make necessary cross-reference changes to conform with this act. Allows the revisor to: (1) make technical and other necessary changes to sentence structure to preserve the meaning of the text; and (2) alter the coding in this act to incorporate statutory changes made by other law in the 2024 regular legislative session.

Provides an immediate effective date.

43 Repealer.

Repeals Minn. Stat. § 246.41 (benefit for persons with developmental disabilities), and 246C.03 (transition of authority; development of a board), effective July 1, 2024.

Article 6: Human Services Response Contingency Account

This article establishes the human services response contingency account.

Section Description - Article 6: Human Services Response Contingency Account

1 Human Services Response Contingency Account.

Creates § 256.044.

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

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

Subd. 3. Use of money. Allows the commissioner to make expenditures from the human services response contingency account to respond to needs related to

Section Description - Article 6: Human Services Response Contingency Account

supporting the health, welfare, or safety of people and for which no other funding or insufficient funding is available. Lists the items and activities for which the commissioner may make expenditures from the human services response contingency account. Allows the commissioner to transfer money within DHS and to the Department of Children, Youth, and Families as necessary to implement a human services response. Allows the commissioner to allocate funds from the contingency account to programs, providers, and organizations for eligible uses through one or more fiscal agents chosen by the commissioner. Requires programs, providers, and organizations receiving funds from the contingency account to describe how the funds will be used. Specifies how nonstate sources of funding are treated.

Subd. 4. Assistance from other sources. Requires the commissioner to seek any appropriate assistance from other available sources, including the federal government, when making expenditures from the contingency account. Requires the commissioner to reimburse the contingency account if the commissioner recovers eligible costs from a nonstate source after making expenditures from the contingency account.

Subd. 5. Reporting. Requires the commissioner to develop required reporting for entities receiving contingency account money and lists the information that entities receiving money from the contingency account must submit to the commissioner.

Subd. 6. Report. Requires the commissioner to submit a report to the legislature by March 1 of each year detailing expenditures made in the previous calendar year from the contingency account. Exempts this reporting requirement from the automatic sunset of mandated reports.

Article 7: Miscellaneous

This article includes provisions to: establish a Homelessness and Housing Support Office, require the commissioner to consult with others on targeted case management redesign, require the commissioner to develop a health-related social needs waiver, require the commissioner to study navigator reimbursement, establish a working group on simplifying supportive housing resources, and provide for homelessness data reporting.

Section Description - Article 7: Miscellaneous

- 1 **Homelessness and Housing Support Office.**
Amends § 256.01, by adding subd. 44. Establishes a Homelessness and Housing Support Office in DHS under the supervision of an assistant commissioner appointed

Section Description - Article 7: Miscellaneous

by the commissioner. Lists the duties of the commissioner, working with the assistant commissioner for homelessness and housing support. Requires the assistant commissioner to submit an annual report to the legislature detailing the activities of the office and making recommendations for system improvements.

Provides a July 1, 2024, effective date.

2 Direction to commissioner; targeted case management redesign.

Requires the commissioner of human services, in consultation with others, to improve case management information systems and identify the necessary changes needed to comply with regulations related to federal certified public expenditures. Requires the changes to facilitate transition to use of a 15-minute unit rate or improved financial reporting for fee-for-service targeted case management services provided by counties. Requires technology systems to be modified to support any increase in the intensity of time reporting requirements prior to any implementation of proposed changes to targeted case management rate setting, reimbursement, and reconciliation processes.

3 Direction to commissioner; federal waivers for health-related social needs.

Requires the commissioner of human services to: (1) develop a strategy to implement interventions to address unmet health-related social needs; (2) consider whether services could be reimbursed under section 1115 of the Social Security Act, other federal waivers, or existing state authority; (3) collaborate with specified partners on specific interventions to include in the proposed strategy; and (4) by March 1, 2025, provide the strategy developed to the legislature. Allows the commissioner to perform the steps necessary to develop a federal waiver or other strategies in preparation for enactment of the strategies. Exempts the commissioner from state procurement requirements when entering into a new contract or amending an existing contract to complete the work under this section.

Provides an immediate effective date.

4 Direction to commissioner; study of navigator reimbursement.

Requires the commissioner of human services to conduct an analysis of the navigator and in-person assister programs. By October 1, 2025, requires the commissioner to submit the analysis to the legislature.

5 Working group on simplifying supportive housing resources.

Establishes a working group on simplifying supportive housing resources.

Section Description - Article 7: Miscellaneous

Subd. 1. Establishment. Establishes a working group on simplifying supportive housing resources to streamline access, eligibility, and administration of state-funded supportive housing resources for people experiencing homelessness.

Subd. 2. Membership. Lists the members of the working group on simplifying supportive housing resources. Requires all appointing authorities to make appointments to the working group by August 1, 2024.

Subd. 3. Duties. Requires the working group to study supportive housing resources to streamline access, eligibility, and administration of state-funded housing resources for people experiencing homelessness. Lists programs that must be included in the study. Requires the working group to identify the processes, procedures, and technological or personnel resources that would be necessary to enable the state, county or Tribal agencies, and providers responsible for administering public supportive housing funds to meet specified goals.

Subd. 4. Compensation. Prohibits members of the working group from being compensated, except for the member with lived experience of homelessness.

Subd. 5. Meetings; facilitation. Requires the commissioner of human services to facilitate the working group and convene the first meeting by January 15, 2025. Requires the working group to meet at regular intervals to fulfill the duties of the working group. Subjects the working group to the Open Meeting Law.

Subd. 6. Consultation. Requires the working group to consult with other individuals and organizations that have expertise and experience in providing supportive services that may assist the working group in fulfilling its responsibilities.

Subd. 7. Report required. Requires the working group to submit a final report by January 15, 2026, to the legislative committees with jurisdiction over housing and homelessness finance and policy detailing the recommendations to streamline access, eligibility, and administration of state-funded supportive housing resources for people experiencing homelessness and any necessary draft legislation to implement the recommendations.

Subd. 8. Expiration. Makes the working group expire upon submission of the final report or January 15, 2026.

Provides an immediate effective date.

Section Description - Article 7: Miscellaneous

6 Homelessness data reporting.

By January 15 of each year, requires the Minnesota Interagency Council on Homelessness, in consultation with others, to report to the legislature key trends and other relevant summary data on the state of homelessness in Minnesota. Specifies data the council may use and requires the information to be available on the website of the Minnesota Interagency Council on Homelessness.

7 Revisor instruction.

Requires the revisor of statutes to renumber sections of statute related to emergency services grants and transitional housing and to make necessary cross-reference changes related to the renumbering.

Article 8: Appropriations

This article: (1) appropriates money for various human services programs related to disability services, aging services, substance use disorder services, priority admissions and civil commitment, DCT, the human services response contingency account, and miscellaneous services and programs; and (2) makes technical corrections to 2023 appropriations.



Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.

www.house.mn.gov/hrd | 651-296-6753 | 155 State Office Building | St. Paul, MN 55155