

**SENATE**  
**STATE OF MINNESOTA**  
**NINETY-SECOND SESSION**

**S.F. No. 4013**

(SENATE AUTHORS: WIKLUND)

DATE	D-PG	OFFICIAL STATUS
03/14/2022	5318	Introduction and first reading Referred to Human Services Reform Finance and Policy

1.1 A bill for an act

1.2 relating to state government; modifying provisions governing child care assistance,

1.3 economic assistance, behavioral health, health care, and health insurance access;

1.4 making forecast adjustments; requiring reports; transferring money; making

1.5 technical and conforming changes; allocating funds for a specific purpose;

1.6 establishing certain grants; appropriating money; amending Minnesota Statutes

1.7 2020, sections 62N.25, subdivision 5; 62Q.1055; 62Q.47; 119B.011, subdivisions

1.8 2, 5, 13, 15, 19b; 119B.02, subdivisions 1, 2; 119B.025, subdivision 4; 119B.03,

1.9 subdivisions 3, 9, 10; 119B.035, subdivisions 1, 2, 4, 5; 119B.08, subdivision 3;

1.10 119B.11, subdivision 1; 119B.15; 119B.19, subdivision 7; 119B.24; 169A.70,

1.11 subdivisions 3, 4; 245.4889, by adding a subdivision; 245.713, subdivision 2;

1.12 245F.03; 245G.05, subdivision 2; 245G.22, subdivision 2; 254A.19, subdivisions

1.13 1, 3, by adding subdivisions; 254B.01, subdivision 5, by adding subdivisions;

1.14 254B.03, subdivisions 1, 5; 254B.04, subdivision 2a, by adding subdivisions;

1.15 256.017, subdivision 9; 256.042, subdivisions 1, 2, 5; 256B.055, subdivision 17;

1.16 256B.056, subdivision 7; 256B.0625, subdivision 28b; 256B.0941, by adding a

1.17 subdivision; 256B.0946, subdivision 7; 256B.0949, subdivision 15; 256D.03, by

1.18 adding a subdivision; 256D.0516, subdivision 2; 256D.06, subdivisions 1, 2, 5;

1.19 256D.09, subdivision 2a; 256E.35, subdivisions 1, 2, 4a, 6; 256I.03, subdivision

1.20 13; 256I.06, subdivisions 6, 10; 256I.09; 256J.08, subdivisions 71, 79; 256J.21,

1.21 subdivision 4; 256J.33, subdivision 2; 256J.37, subdivisions 3, 3a; 256J.95,

1.22 subdivision 19; 256K.45, subdivision 3; 256L.04, subdivisions 1c, 7a, 10, by

1.23 adding a subdivision; 256L.07, subdivision 1; 256L.12, subdivision 8; 256P.01,

1.24 by adding a subdivision; 256P.02, by adding a subdivision; 256P.07, subdivisions

1.25 1, 2, 3, 4, 6, 7, by adding subdivisions; 256P.08, subdivision 2; 260B.157,

1.26 subdivisions 1, 3; 260E.20, subdivision 1; 299A.299, subdivision 1; Minnesota

1.27 Statutes 2021 Supplement, sections 119B.13, subdivision 1; 245.4889, subdivision

1.28 1; 254A.03, subdivision 3; 254A.19, subdivision 4; 254B.03, subdivision 2;

1.29 254B.04, subdivision 1; 254B.05, subdivisions 4, 5; 256.042, subdivision 4;

1.30 256B.0946, subdivisions 1, 1a, 2, 3, 4, 6; 256I.06, subdivision 8; 256J.21,

1.31 subdivision 3; 256J.33, subdivision 1; 256L.03, subdivision 2; 256L.07, subdivision

1.32 2; 256L.15, subdivision 2; 256P.02, subdivisions 1a, 2; 256P.04, subdivisions 4,

1.33 8; 256P.06, subdivision 3; 260C.157, subdivision 3; Laws 2021, First Special

1.34 Session chapter 7, article 17, sections 1, subdivision 2; 11; 12; proposing coding

1.35 for new law in Minnesota Statutes, chapters 119B; 245; 256P; repealing Minnesota

1.36 Statutes 2020, sections 119B.03, subdivisions 1, 2, 4, 5, 6a, 6b, 8; 169A.70,

1.37 subdivision 6; 245G.22, subdivision 19; 254A.02, subdivision 8a; 254A.16,

1.38 subdivision 6; 254A.19, subdivisions 1a, 2; 254B.04, subdivisions 2b, 2c; 254B.041,

2.1 subdivision 2; 256J.08, subdivisions 10, 61, 62, 81, 83; 256J.30, subdivisions 5,  
 2.2 7; 256J.33, subdivisions 3, 5; 256J.34, subdivisions 1, 2, 3, 4; 256J.37, subdivision  
 2.3 10; Minnesota Statutes 2021 Supplement, sections 119B.03, subdivisions 4a, 6;  
 2.4 254A.19, subdivision 5; 256J.08, subdivision 53; 256J.30, subdivision 8; 256J.33,  
 2.5 subdivision 4; Minnesota Rules, parts 9530.7000, subparts 1, 2, 5, 6, 7, 8, 9, 10,  
 2.6 11, 13, 14, 15, 17a, 19, 20, 21; 9530.7005; 9530.7010; 9530.7012; 9530.7015,  
 2.7 subparts 1, 2a, 4, 5, 6; 9530.7020, subparts 1, 1a, 2; 9530.7021; 9530.7022, subpart  
 2.8 1; 9530.7025; 9530.7030, subpart 1.

2.9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

2.10 **ARTICLE 1**

2.11 **CHILD CARE**

2.12 Section 1. Minnesota Statutes 2020, section 119B.011, subdivision 2, is amended to read:

2.13 Subd. 2. **Applicant.** "Child care fund applicants" means all parents; stepparents; legal  
 2.14 guardians; ~~or~~; eligible relative caregivers; relative custodians who accepted a transfer of  
 2.15 permanent legal and physical custody of a child under section 260C.515, subdivision 4, or  
 2.16 similar permanency disposition in Tribal code; successor custodians or guardians as  
 2.17 established by section 256N.22, subdivision 10; or foster parents providing care to a child  
 2.18 placed in a family foster home under section 260C.007, subdivision 16b, who are members  
 2.19 of the family and reside in the household that applies for child care assistance under the  
 2.20 child care fund.

2.21 Sec. 2. Minnesota Statutes 2020, section 119B.011, subdivision 5, is amended to read:

2.22 Subd. 5. **Child care.** "Child care" means the care of a child by someone other than a  
 2.23 parent; stepparent; legal guardian; eligible relative caregiver; relative custodian who  
 2.24 accepted a transfer of permanent legal and physical custody of a child under section  
 2.25 260C.515, subdivision 4, or similar permanency disposition in Tribal code; successor  
 2.26 custodian or guardian as established according to section 256N.22, subdivision 10; foster  
 2.27 parent providing care to a child placed in a family foster home under section 260C.007,  
 2.28 subdivision 16b; or the spouses spouse of any of the foregoing in or outside the child's own  
 2.29 home for gain or otherwise, on a regular basis, for any part of a 24-hour day.

2.30 Sec. 3. Minnesota Statutes 2020, section 119B.011, subdivision 13, is amended to read:

2.31 Subd. 13. **Family.** "Family" means parents; stepparents; guardians and their spouses;  
 2.32 ~~or~~; other eligible relative caregivers and their spouses; relative custodians who accepted a  
 2.33 transfer of permanent legal and physical custody of a child under section 260C.515,  
 2.34 subdivision 4, or similar permanency disposition in Tribal code, and their spouses; successor  
 2.35 custodians or guardians as established according to section 256N.22, subdivision 10, and

3.1 their spouses; or foster parents providing care to a child placed in a family foster home  
 3.2 under section 260C.007, subdivision 16b, and their spouses; and ~~their blood-related~~ the  
 3.3 blood-related dependent children and adoptive siblings under the age of 18 years living in  
 3.4 the same home ~~including~~ of the above. This definition includes children temporarily absent  
 3.5 from the household in settings such as schools, foster care, and residential treatment facilities  
 3.6 ~~or parents, stepparents, guardians and their spouses, or other relative caregivers and their~~  
 3.7 ~~spouses~~ and adults temporarily absent from the household in settings such as schools, military  
 3.8 service, or rehabilitation programs. An adult family member who is not in an authorized  
 3.9 activity under this chapter may be temporarily absent for up to 60 days. When a minor  
 3.10 parent or parents and his, her, or their child or children are living with other relatives, and  
 3.11 the minor parent or parents apply for a child care subsidy, "family" means only the minor  
 3.12 parent or parents and their child or children. An adult age 18 or older who meets this  
 3.13 definition of family and is a full-time high school or postsecondary student may be considered  
 3.14 a dependent member of the family unit if 50 percent or more of the adult's support is provided  
 3.15 by the parents; stepparents; guardians; and their spouses; relative custodians who accepted  
 3.16 a transfer of permanent legal and physical custody of a child under section 260C.515,  
 3.17 subdivision 4, or similar permanency disposition in Tribal code, and their spouses; successor  
 3.18 custodians or guardians as established according to section 256N.22, subdivision 10, and  
 3.19 their spouses; foster parents providing care to a child placed in a family foster home under  
 3.20 section 260C.007, subdivision 16b, and their spouses; or eligible relative caregivers and  
 3.21 their spouses residing in the same household.

3.22 Sec. 4. Minnesota Statutes 2020, section 119B.011, subdivision 19b, is amended to read:

3.23 Subd. 19b. **Student parent.** "Student parent" means a person who is:

3.24 (1) under 21 years of age and has a child;

3.25 (2) pursuing a high school diploma or commissioner of education-selected high school  
 3.26 equivalency certification; and

3.27 ~~(3) residing within a county that has a basic sliding fee waiting list under section 119B.03,~~  
 3.28 ~~subdivision 4; and~~

3.29 ~~(4)~~ (3) not an MFIP participant.

3.30 Sec. 5. Minnesota Statutes 2020, section 119B.02, subdivision 1, is amended to read:

3.31 Subdivision 1. **Child care services.** The commissioner shall develop standards for county  
 3.32 and human services boards to provide child care services to enable eligible families to

4.1 participate in employment, training, or education programs. ~~Within the limits of available~~  
 4.2 ~~appropriations~~, The commissioner shall distribute money to counties to reduce the costs of  
 4.3 child care for eligible families. The commissioner shall adopt rules to govern the program  
 4.4 in accordance with this section. The rules must establish a sliding schedule of fees for parents  
 4.5 receiving child care services. The rules shall provide that funds received as a lump-sum  
 4.6 payment of child support arrearages shall not be counted as income to a family in the month  
 4.7 received but shall be prorated over the 12 months following receipt and added to the family  
 4.8 income during those months. The commissioner shall maximize the use of federal money  
 4.9 under title I and title IV of Public Law 104-193, the Personal Responsibility and Work  
 4.10 Opportunity Reconciliation Act of 1996, and other programs that provide federal or state  
 4.11 reimbursement for child care services for low-income families who are in education, training,  
 4.12 job search, or other activities allowed under those programs. Money appropriated under  
 4.13 this section must be coordinated with the programs that provide federal reimbursement for  
 4.14 child care services to accomplish this purpose. ~~Federal reimbursement obtained must be~~  
 4.15 ~~allocated to the county that spent money for child care that is federally reimbursable under~~  
 4.16 ~~programs that provide federal reimbursement for child care services.~~ The counties  
 4.17 commissioner shall use the federal money to expand child care services. The commissioner  
 4.18 may adopt rules under chapter 14 to implement and coordinate federal program requirements.

4.19 Sec. 6. Minnesota Statutes 2020, section 119B.02, subdivision 2, is amended to read:

4.20 Subd. 2. **Contractual agreements with tribes.** The commissioner may enter into  
 4.21 contractual agreements with a federally recognized Indian tribe with a reservation in  
 4.22 Minnesota to carry out the responsibilities of county human service agencies to the extent  
 4.23 necessary for the tribe to operate child care assistance programs ~~under sections 119B.03~~  
 4.24 ~~and 119B.05~~ for families eligible under this chapter. An agreement may allow the state to  
 4.25 make payments for child care assistance services provided under ~~section 119B.05~~ this  
 4.26 chapter. The commissioner shall consult with the affected county or counties in the  
 4.27 contractual agreement negotiations, if the county or counties wish to be included, in order  
 4.28 to avoid the duplication of county and tribal child care services. ~~Funding to support services~~  
 4.29 ~~under section 119B.03 may be transferred to the federally recognized Indian tribe with a~~  
 4.30 ~~reservation in Minnesota from allocations available to counties in which reservation~~  
 4.31 ~~boundaries lie. When funding is transferred under section 119B.03, the amount shall be~~  
 4.32 ~~commensurate to estimates of the proportion of reservation residents with characteristics~~  
 4.33 ~~identified in section 119B.03, subdivision 6, to the total population of county residents with~~  
 4.34 ~~those same characteristics.~~

5.1 Sec. 7. Minnesota Statutes 2020, section 119B.03, subdivision 3, is amended to read:

5.2 Subd. 3. **Eligible participants.** Families that meet the eligibility requirements under  
 5.3 sections 119B.09 and 119B.10, ~~except MFIP participants, diversionary work program, and~~  
 5.4 ~~transition year families~~ are eligible for child care assistance under the basic sliding fee child  
 5.5 care assistance program. Families ~~enrolled in the basic sliding fee program shall be continued~~  
 5.6 ~~until they are no longer eligible.~~ Child care assistance provided through the child care fund  
 5.7 is considered assistance to the parent.

5.8 Sec. 8. Minnesota Statutes 2020, section 119B.03, subdivision 9, is amended to read:

5.9 Subd. 9. **Portability pool Family move; continued participation.** (a) ~~The commissioner~~  
 5.10 ~~shall establish a pool of up to five percent of the annual appropriation for the basic sliding~~  
 5.11 ~~fee program to provide continuous child care assistance for eligible families who move~~  
 5.12 ~~between Minnesota counties. At the end of each allocation period, any unspent funds in the~~  
 5.13 ~~portability pool must be used for assistance under the basic sliding fee program. If~~  
 5.14 ~~expenditures from the portability pool exceed the amount of money available, the reallocation~~  
 5.15 ~~pool must be reduced to cover these shortages.~~

5.16 (b) ~~A family that has moved from a county in which it~~ A family receiving child care  
 5.17 assistance under the child care fund that has moved from a county where the family was  
 5.18 receiving basic sliding fee child care assistance to a another Minnesota county with a waiting  
 5.19 list for the basic sliding fee program must be admitted into the new county's child care  
 5.20 assistance program if the family:

5.21 (1) ~~meet~~ meets the income and eligibility guidelines for the basic sliding fee child care  
 5.22 assistance program; and

5.23 (2) ~~notify~~ notifies the family's previous county of residence of the family's move to a  
 5.24 new county of residence.

5.25 (e) (b) The receiving county must:

5.26 (1) ~~accept~~ accept administrative responsibility for applicants for portable basic sliding fee  
 5.27 assistance a child care program-eligible family that has moved into the county at the end  
 5.28 of the two months of assistance under the Unitary Residency Act;

5.29 (2) ~~continue portability pool basic sliding fee assistance until the family is able to receive~~  
 5.30 assistance under the county's regular basic sliding program; and

5.31 (3) ~~notify the commissioner through the quarterly reporting process of any family that~~  
 5.32 meets the criteria of the portable basic sliding fee assistance pool.

6.1 Sec. 9. Minnesota Statutes 2020, section 119B.03, subdivision 10, is amended to read:

6.2 Subd. 10. **Application; entry points.** Two or more methods of applying for the ~~basic~~  
 6.3 ~~sliding fee~~ child care assistance program under this chapter must be available to applicants  
 6.4 in each county. To meet the requirements of this subdivision, a county may provide  
 6.5 alternative methods of applying for assistance, including, but not limited to, a mail  
 6.6 application, or application sites that are located outside of government offices.

6.7 Sec. 10. Minnesota Statutes 2020, section 119B.035, subdivision 1, is amended to read:

6.8 Subdivision 1. **Establishment.** A family in which a parent provides care for the family's  
 6.9 infant child may receive a subsidy in lieu of assistance if the family is eligible for or is  
 6.10 receiving assistance under the ~~basic sliding fee~~ child care assistance program. An eligible  
 6.11 family must meet the eligibility factors under section 119B.09, except as provided in  
 6.12 subdivision 4, and the requirements of this section. Subject to federal match and maintenance  
 6.13 of effort requirements for the child care and development fund, and up to available  
 6.14 appropriations, the commissioner shall provide assistance under the at-home infant child  
 6.15 care program and for administrative costs associated with the program. At the end of a fiscal  
 6.16 year, the commissioner may carry forward any unspent funds under this section to the next  
 6.17 fiscal year within the same biennium for assistance under the ~~basic sliding fee~~ child care  
 6.18 assistance program.

6.19 Sec. 11. Minnesota Statutes 2020, section 119B.035, subdivision 2, is amended to read:

6.20 Subd. 2. **Eligible families.** A family with an infant under the age of one year is eligible  
 6.21 for assistance if:

6.22 (1) the family is not receiving MFIP, other cash assistance, or other child care assistance;

6.23 (2) the family has not previously received a lifelong total of 12 months of assistance  
 6.24 under this section; and

6.25 (3) the family is participating in the ~~basic sliding fee~~ child care assistance program or  
 6.26 provides verification of participating in an authorized activity at the time of application and  
 6.27 meets the program requirements.

6.28 Sec. 12. Minnesota Statutes 2020, section 119B.035, subdivision 4, is amended to read:

6.29 Subd. 4. **Assistance.** (a) A family is limited to a lifetime total of 12 months of assistance  
 6.30 under subdivision 2. The maximum rate of assistance is equal to 68 percent of the rate

7.1 established under section 119B.13 for care of infants in licensed family child care in the  
7.2 applicant's county of residence.

7.3 (b) A participating family must report income and other family changes as specified in  
7.4 sections 256P.06 and 256P.07, and the county's plan under section 119B.08, subdivision 3.

7.5 ~~(e) Persons who are admitted to the at-home infant child care program retain their position~~  
7.6 ~~in any basic sliding fee program. Persons leaving the at-home infant child care program~~  
7.7 ~~reenter the basic sliding fee program at the position they would have occupied.~~

7.8 ~~(d)~~ (c) Assistance under this section does not establish an employer-employee relationship  
7.9 between any member of the assisted family and the county or state.

7.10 Sec. 13. Minnesota Statutes 2020, section 119B.035, subdivision 5, is amended to read:

7.11 Subd. 5. **Implementation.** The commissioner shall implement the at-home infant child  
7.12 care program under this section through counties that administer the ~~basic sliding fee child~~  
7.13 ~~care assistance program under section 119B.03~~ this chapter. The commissioner must develop  
7.14 and distribute consumer information on the at-home infant child care program to assist  
7.15 parents of infants or expectant parents in making informed child care decisions.

7.16 Sec. 14. Minnesota Statutes 2020, section 119B.08, subdivision 3, is amended to read:

7.17 Subd. 3. **Child care fund plan.** The county and designated administering agency shall  
7.18 submit a biennial child care fund plan to the commissioner. The commissioner shall establish  
7.19 the dates by which the county must submit the plans. The plan shall include:

7.20 (1) a description of strategies to coordinate and maximize public and private community  
7.21 resources, including school districts, health care facilities, government agencies,  
7.22 neighborhood organizations, and other resources knowledgeable in early childhood  
7.23 development, in particular to coordinate child care assistance with existing community-based  
7.24 programs and service providers including child care resource and referral programs, early  
7.25 childhood family education, school readiness, Head Start, local interagency early intervention  
7.26 committees, special education services, early childhood screening, and other early childhood  
7.27 care and education services and programs to the extent possible, to foster collaboration  
7.28 among agencies and other community-based programs that provide flexible, family-focused  
7.29 services to families with young children and to facilitate transition into kindergarten. The  
7.30 county must describe a method by which to share information, responsibility, and  
7.31 accountability among service and program providers;

8.1 (2) a description of procedures and methods to be used to make copies of the proposed  
 8.2 state plan reasonably available to the public, including members of the public particularly  
 8.3 interested in child care policies such as parents, child care providers, culturally specific  
 8.4 service organizations, child care resource and referral programs, interagency early  
 8.5 intervention committees, potential collaborative partners and agencies involved in the  
 8.6 provision of care and education to young children, and allowing sufficient time for public  
 8.7 review and comment; and

8.8 (3) information as requested by the department to ensure compliance with the child care  
 8.9 fund statutes and rules promulgated by the commissioner.

8.10 The commissioner shall notify counties within 90 days of the date the plan is submitted  
 8.11 whether the plan is approved or the corrections or information needed to approve the plan.  
 8.12 The commissioner shall withhold ~~a county's allocation until it has an approved plan. Plans~~  
 8.13 ~~not approved by the end of the second quarter after the plan is due may result in a 25 percent~~  
 8.14 ~~reduction in allocation. Plans not approved by the end of the third quarter after the plan is~~  
 8.15 ~~due may result in a 100 percent reduction in the allocation to the county~~ payments to a  
 8.16 county until it has an approved plan. Counties are to maintain services despite any ~~reduction~~  
 8.17 ~~in their allocation~~ withholding of payments due to plans not being approved.

8.18 Sec. 15. Minnesota Statutes 2020, section 119B.11, subdivision 1, is amended to read:

8.19 Subdivision 1. **County contributions required.** (a) In addition to payments from ~~basic~~  
 8.20 ~~sliding fee~~ child care assistance program participants, each county shall contribute from  
 8.21 county tax or other sources a fixed local match equal to its calendar year 1996 required  
 8.22 county contribution reduced by the administrative funding loss that would have occurred  
 8.23 in state fiscal year 1996 under section 119B.15. The commissioner shall recover funds from  
 8.24 the county as necessary to bring county expenditures into compliance with this subdivision.  
 8.25 The commissioner may accept county contributions, including contributions above the fixed  
 8.26 local match, in order to make state payments.

8.27 (b) The commissioner may accept payments from counties to:

8.28 (1) fulfill the county contribution as required under subdivision 1;

8.29 (2) pay for services authorized under this chapter beyond those paid for with federal or  
 8.30 state funds or with the required county contributions; or

8.31 (3) pay for child care services in addition to those authorized under this chapter, as  
 8.32 authorized under other federal, state, or local statutes or regulations.



9.1 (c) The county payments must be deposited in an account in the special revenue fund.  
 9.2 Money in this account is appropriated to the commissioner for child care assistance under  
 9.3 this chapter and other applicable statutes and regulations and is in addition to other state  
 9.4 and federal appropriations.

9.5 Sec. 16. Minnesota Statutes 2021 Supplement, section 119B.13, subdivision 1, is amended  
 9.6 to read:

9.7 Subdivision 1. **Subsidy restrictions.** (a) Beginning ~~November 15, 2021~~ October 3, 2022,  
 9.8 the maximum rate paid for child care assistance in any county or county price cluster under  
 9.9 the child care fund shall be:

9.10 ~~(1) for all infants and toddlers, the greater of the 40th 75th percentile of the 2021 child~~  
 9.11 ~~care provider rate survey or and the rates in effect at the time of the update; and.~~

9.12 ~~(2) for all preschool and school-age children, the greater of the 30th percentile of the~~  
 9.13 ~~2021 child care provider rate survey or the rates in effect at the time of the update.~~

9.14 (b) Beginning the first full service period on or after January 1, 2025, and every three  
 9.15 years thereafter, the maximum rate paid for child care assistance in a county or county price  
 9.16 cluster under the child care fund shall be:

9.17 ~~(1) for all infants and toddlers, the greater of the 40th 75th percentile of the 2024 most~~  
 9.18 ~~recent child care provider rate survey or and the rates in effect at the time of the update;~~  
 9.19 ~~and.~~

9.20 ~~(2) for all preschool and school-age children, the greater of the 30th percentile of the~~  
 9.21 ~~2024 child care provider rate survey or the rates in effect at the time of the update.~~

9.22 The rates under paragraph (a) continue until the rates under this paragraph go into effect.

9.23 (c) For a child care provider located within the boundaries of a city located in two or  
 9.24 more of the counties of Benton, Sherburne, and Stearns, the maximum rate paid for child  
 9.25 care assistance shall be equal to the maximum rate paid in the county with the highest  
 9.26 maximum reimbursement rates or the provider's charge, whichever is less. The commissioner  
 9.27 may: (1) assign a county with no reported provider prices to a similar price cluster; and (2)  
 9.28 consider county level access when determining final price clusters.

9.29 (d) A rate which includes a special needs rate paid under subdivision 3 may be in excess  
 9.30 of the maximum rate allowed under this subdivision.

9.31 (e) The department shall monitor the effect of this paragraph on provider rates. The  
 9.32 county shall pay the provider's full charges for every child in care up to the maximum

10.1 established. The commissioner shall determine the maximum rate for each type of care on  
 10.2 an hourly, full-day, and weekly basis, including special needs and disability care.

10.3 (f) If a child uses one provider, the maximum payment for one day of care must not  
 10.4 exceed the daily rate. The maximum payment for one week of care must not exceed the  
 10.5 weekly rate.

10.6 (g) If a child uses two providers under section 119B.097, the maximum payment must  
 10.7 not exceed:

10.8 (1) the daily rate for one day of care;

10.9 (2) the weekly rate for one week of care by the child's primary provider; and

10.10 (3) two daily rates during two weeks of care by a child's secondary provider.

10.11 (h) Child care providers receiving reimbursement under this chapter must not be paid  
 10.12 activity fees or an additional amount above the maximum rates for care provided during  
 10.13 nonstandard hours for families receiving assistance.

10.14 (i) If the provider charge is greater than the maximum provider rate allowed, the parent  
 10.15 is responsible for payment of the difference in the rates in addition to any family co-payment  
 10.16 fee.

10.17 (j) Beginning October 3, 2022, the maximum registration fee paid for child care assistance  
 10.18 in any county or county price cluster under the child care fund shall be ~~set as follows: (1)~~  
 10.19 ~~beginning November 15, 2021~~, the greater of the ~~40th~~ 75th percentile of the ~~2021~~ most  
 10.20 recent child care provider rate survey ~~or~~ and the registration fee in effect at the time of the  
 10.21 update; ~~and (2) beginning the first full service period on or after January 1, 2025, the~~  
 10.22 ~~maximum registration fee shall be the greater of the 40th percentile of the 2024 child care~~  
 10.23 ~~provider rate survey or the registration fee in effect at the time of the update. The registration~~  
 10.24 ~~fees under clause (1) continue until the registration fees under clause (2) go into effect.~~

10.25 (k) Maximum registration fees must be set for licensed family child care and for child  
 10.26 care centers. For a child care provider located in the boundaries of a city located in two or  
 10.27 more of the counties of Benton, Sherburne, and Stearns, the maximum registration fee paid  
 10.28 for child care assistance shall be equal to the maximum registration fee paid in the county  
 10.29 with the highest maximum registration fee or the provider's charge, whichever is less.

11.1 Sec. 17. Minnesota Statutes 2020, section 119B.15, is amended to read:

11.2 **119B.15 ADMINISTRATIVE EXPENSES.**

11.3 The commissioner shall use up to 1/21 of the state and federal funds available for the  
 11.4 ~~basic sliding fee program and 1/21 of the state and federal funds available for the MFIP~~  
 11.5 child care assistance program for payments to counties for administrative expenses. The  
 11.6 commissioner shall make monthly payments to each county based on direct service  
 11.7 expenditures. Payments may be withheld if monthly reports are incomplete or untimely.

11.8 Sec. 18. Minnesota Statutes 2020, section 119B.19, subdivision 7, is amended to read:

11.9 Subd. 7. **Child care resource and referral programs.** Within each region, a child care  
 11.10 resource and referral program must:

11.11 (1) maintain one database of all existing child care resources and services and one  
 11.12 database of family referrals;

11.13 (2) provide a child care referral service for families;

11.14 (3) develop resources to meet the child care service needs of families;

11.15 (4) increase the capacity to provide culturally responsive child care services;

11.16 (5) coordinate professional development opportunities for child care and school-age  
 11.17 care providers;

11.18 (6) administer and award child care services grants;

11.19 (7) cooperate with the Minnesota Child Care Resource and Referral Network and its  
 11.20 member programs to develop effective child care services and child care resources; ~~and~~

11.21 (8) assist in fostering coordination, collaboration, and planning among child care programs  
 11.22 and community programs such as school readiness, Head Start, early childhood family  
 11.23 education, local interagency early intervention committees, early childhood screening,  
 11.24 special education services, and other early childhood care and education services and  
 11.25 programs that provide flexible, family-focused services to families with young children to  
 11.26 the extent possible;

11.27 (9) administer the child care one-stop regional assistance network to assist child care  
 11.28 providers and individuals interested in becoming child care providers with establishing and  
 11.29 sustaining a licensed family child care or group family child care program or a child care  
 11.30 center; and

12.1 (10) provide supports that enable economically challenged individuals to obtain the job  
 12.2 skills training, career counseling, and job placement assistance necessary to begin a career  
 12.3 path in child care.

12.4 Sec. 19. Minnesota Statutes 2020, section 119B.24, is amended to read:

12.5 **119B.24 DUTIES OF COMMISSIONER.**

12.6 In addition to the powers and duties already conferred by law, the commissioner of  
 12.7 human services shall:

12.8 (1) administer the child care fund, ~~including the basic sliding fee program~~ authorized  
 12.9 under sections 119B.011 to 119B.16;

12.10 (2) monitor the child care resource and referral programs established under section  
 12.11 119B.19; and

12.12 (3) encourage child care providers to participate in a nationally recognized accreditation  
 12.13 system for early childhood and school-age care programs. Subject to approval by the  
 12.14 commissioner, family child care providers and early childhood and school-age care programs  
 12.15 shall be reimbursed for one-half of the direct cost of accreditation fees, upon successful  
 12.16 completion of accreditation.

12.17 Sec. 20. **119B.27 SHARED SERVICES GRANTS.**

12.18 The commissioner of human services shall establish a grant program to enable family  
 12.19 child care providers to implement shared services alliances.

12.20 **EFFECTIVE DATE.** This section is effective July 1, 2023.

12.21 Sec. 21. **119B.28 CHILD CARE PROVIDER ACCESS TO TECHNOLOGY**  
 12.22 **GRANTS.**

12.23 The commissioner of human services shall distribute money provided by this section  
 12.24 through grants to one or more organizations to offer grants or other supports to child care  
 12.25 providers to improve their access to computers, the Internet, subscriptions to online child  
 12.26 care management applications, and other technologies intended to improve their business  
 12.27 practices. Up to ten percent of the grant funds may be used for administration of this program.

12.28 Sec. 22. Minnesota Statutes 2020, section 256.017, subdivision 9, is amended to read:

12.29 Subd. 9. **Timing and disposition of penalty and case disallowance funds.** Quality  
 12.30 control case penalty and administrative penalty amounts shall be disallowed or withheld

13.1 from the next regular reimbursement made to the county agency for state and federal benefit  
 13.2 reimbursements and federal administrative reimbursements for all programs covered in this  
 13.3 section, according to procedures established in statute, but shall not be imposed sooner than  
 13.4 30 calendar days from the date of written notice of such penalties. ~~Except for penalties~~  
 13.5 ~~withheld under the child care assistance program,~~ All penalties must be deposited in the  
 13.6 county incentive fund provided in section 256.018. ~~Penalties withheld under the child care~~  
 13.7 ~~assistance program shall be reallocated to counties using the allocation formula under section~~  
 13.8 ~~119B.03, subdivision 5.~~ All penalties must be imposed according to this provision until a  
 13.9 decision is made regarding the status of a written exception. Penalties must be returned to  
 13.10 county agencies when a review of a written exception results in a decision in their favor.

13.11 **Sec. 23. DIRECTION TO COMMISSIONER; ALLOCATING BASIC SLIDING**  
 13.12 **FEE FUNDS.**

13.13 Notwithstanding Minnesota Statutes, section 119B.03, subdivisions 6, 6a, and 6b, the  
 13.14 commissioner of human services must allocate additional basic sliding fee child care money  
 13.15 for calendar year 2024 to counties and Tribes to account for the change in the definition of  
 13.16 family in sections 1 to 3. In allocating the additional money, the commissioner shall consider:

13.17 (1) the number of children in the county or Tribe who receive care from a relative  
 13.18 custodian who accepted a transfer of permanent legal and physical custody of a child under  
 13.19 section 260C.515, subdivision 4, or similar permanency disposition in Tribal code; successor  
 13.20 custodian or guardian as established according to section 256N.22, subdivision 10; or foster  
 13.21 parents in a family foster home under section 260C.007, subdivision 16b; and

13.22 (2) the average basic sliding fee cost of care in the county or Tribe.

13.23 **Sec. 24. DIRECTION TO COMMISSIONER OF MANAGEMENT AND BUDGET.**

13.24 The state obligation for the child care assistance program under Minnesota Statutes,  
 13.25 chapter 119B, must be included in the Department of Management and Budget February  
 13.26 and November forecast of state revenues and expenditures under Minnesota Statutes, section  
 13.27 16A.103, beginning with the February 2023 forecast.

13.28 **Sec. 25. INCREASE FOR MAXIMUM RATES.**

13.29 Notwithstanding Minnesota Statutes, section 119B.03, subdivisions 6, 6a, and 6b, the  
 13.30 commissioner of human services shall allocate the additional basic sliding fee child care  
 13.31 funds for calendar year 2023 to counties for updated maximum rates based on relative need

14.1 to cover maximum rate increases. In distributing the additional funds, the commissioner  
 14.2 shall consider the following factors by county:

14.3 (1) number of children covered by the county;

14.4 (2) provider types that care for covered children;

14.5 (3) age of covered children; and

14.6 (4) amount of the increase in maximum rates.

14.7 Sec. 26. **REPEALER.**

14.8 (a) Minnesota Statutes 2020, section 119B.03, subdivisions 1, 2, 4, 5, 6a, 6b, and 8, are  
 14.9 repealed.

14.10 (b) Minnesota Statutes 2021 Supplement, section 119B.03, subdivisions 4a and 6, are  
 14.11 repealed.

## 14.12 **ARTICLE 2**

### 14.13 **ECONOMIC ASSISTANCE**

14.14 Section 1. Minnesota Statutes 2020, section 119B.011, subdivision 15, is amended to read:

14.15 Subd. 15. **Income.** (a) "Income" means earned income as defined under section 256P.01,  
 14.16 subdivision 3, unearned income as defined under section 256P.01, subdivision 8, and public  
 14.17 assistance cash benefits, including the Minnesota family investment program, diversionary  
 14.18 work program, work benefit, Minnesota supplemental aid, general assistance, refugee cash  
 14.19 assistance, at-home infant child care subsidy payments, ~~and~~ child support and maintenance  
 14.20 distributed to ~~the~~ a family under section 256.741, subdivision 2a-, and nonrecurring income  
 14.21 over \$60 per quarter unless the nonrecurring income is:

14.22 (1) from tax refunds, tax rebates, or tax credits;

14.23 (2) from a reimbursement, rebate, award, grant, or refund of personal or real property  
 14.24 or costs or losses incurred when these payments are made by a public agency, a court, a  
 14.25 solicitation through public appeal, the federal government, a state or local unit of government,  
 14.26 or a disaster assistance organization;

14.27 (3) provided as an in-kind benefit; or

14.28 (4) earmarked and used for the purpose for which it was intended.

14.29 (b) The following are deducted from income: funds used to pay for health insurance  
 14.30 premiums for family members, and child or spousal support paid to or on behalf of a person

15.1 or persons who live outside of the household. Income sources not included in this subdivision  
15.2 and section 256P.06, subdivision 3, are not counted as income.

15.3 Sec. 2. Minnesota Statutes 2020, section 119B.025, subdivision 4, is amended to read:

15.4 Subd. 4. **Changes in eligibility.** (a) The county shall process a change in eligibility  
15.5 factors according to paragraphs (b) to (g).

15.6 (b) A family is subject to the reporting requirements in section 256P.07, subdivision 6.

15.7 (c) If a family reports a change or a change is known to the agency before the family's  
15.8 regularly scheduled redetermination, the county must act on the change. The commissioner  
15.9 shall establish standards for verifying a change.

15.10 (d) A change in income occurs on the day the participant received the first payment  
15.11 reflecting the change in income.

15.12 (e) During a family's 12-month eligibility period, if the family's income increases and  
15.13 remains at or below 85 percent of the state median income, adjusted for family size, there  
15.14 is no change to the family's eligibility. The county shall not request verification of the  
15.15 change. The co-payment fee shall not increase during the remaining portion of the family's  
15.16 12-month eligibility period.

15.17 (f) During a family's 12-month eligibility period, if the family's income increases and  
15.18 exceeds 85 percent of the state median income, adjusted for family size, the family is not  
15.19 eligible for child care assistance. The family must be given 15 calendar days to provide  
15.20 verification of the change. If the required verification is not returned or confirms ineligibility,  
15.21 the family's eligibility ends following a subsequent 15-day adverse action notice.

15.22 (g) Notwithstanding Minnesota Rules, parts 3400.0040, subpart 3, and 3400.0170,  
15.23 subpart 1, if an applicant or participant reports that employment ended, the agency may  
15.24 accept a signed statement from the applicant or participant as verification that employment  
15.25 ended.

15.26 Sec. 3. Minnesota Statutes 2020, section 256D.03, is amended by adding a subdivision to  
15.27 read:

15.28 Subd. 2b. **Budgeting and reporting.** Every county agency shall determine eligibility  
15.29 and calculate benefit amounts for general assistance according to chapter 256P.

16.1 Sec. 4. Minnesota Statutes 2020, section 256D.0516, subdivision 2, is amended to read:

16.2 Subd. 2. **SNAP reporting requirements.** The commissioner of human services shall  
16.3 implement simplified reporting as permitted under the Food and Nutrition Act of 2008, as  
16.4 amended, and the SNAP regulations in Code of Federal Regulations, title 7, part 273. SNAP  
16.5 benefit recipient households required to report periodically shall not be required to report  
16.6 more often than one time every six months. ~~This provision shall not apply to households~~  
16.7 ~~receiving food benefits under the Minnesota family investment program waiver.~~

16.8 Sec. 5. Minnesota Statutes 2020, section 256D.06, subdivision 1, is amended to read:

16.9 Subdivision 1. **Eligibility; amount of assistance.** General assistance shall be granted  
16.10 to an individual or married couple in an amount that when added to the countable income  
16.11 as determined to be actually equal to the difference between available to the assistance unit  
16.12 income under section 256P.06, the total amount equals the applicable standard of assistance  
16.13 for general assistance and the standard for the individual or married couple using the MFIP  
16.14 transitional standard cash portion described in section 256J.24, subdivision 5, paragraph  
16.15 (a). In determining eligibility for and the amount of assistance for an individual or married  
16.16 couple, the agency shall apply the earned income disregard as determined in section 256P.03.

16.17 **EFFECTIVE DATE.** This section is effective October 1, 2023.

16.18 Sec. 6. Minnesota Statutes 2020, section 256D.06, subdivision 2, is amended to read:

16.19 Subd. 2. **Emergency need.** (a) Notwithstanding the provisions of subdivision 1, a grant  
16.20 of emergency general assistance shall, to the extent funds are available, be made to an  
16.21 eligible single adult, married couple, or family for an emergency need where the recipient  
16.22 requests temporary assistance not exceeding 30 days if an emergency situation appears to  
16.23 exist under written criteria adopted by the county agency. If an applicant or recipient relates  
16.24 facts to the county agency which may be sufficient to constitute an emergency situation,  
16.25 the county agency shall, to the extent funds are available, advise the person of the procedure  
16.26 for applying for assistance according to this subdivision.

16.27 (b) The applicant must be ineligible for assistance under chapter 256J, must have annual  
16.28 net income no greater than 200 percent of the federal poverty guidelines for the previous  
16.29 calendar year, and may only receive an emergency assistance grant ~~not more than~~ once in  
16.30 any 12-month period.

16.31 (c) Funding for an emergency general assistance program is limited to the appropriation.  
16.32 Each fiscal year, the commissioner shall allocate to counties the money appropriated for



17.1 emergency general assistance grants based on each county agency's average share of state's  
17.2 emergency general expenditures for the immediate past three fiscal years as determined by  
17.3 the commissioner, and may reallocate any unspent amounts to other counties. The  
17.4 commissioner may disregard periods of pandemic or other disaster, including fiscal years  
17.5 2021 and 2022, when determining the amount allocated to counties. No county shall be  
17.6 allocated less than \$1,000 for a fiscal year.

17.7 (d) Any emergency general assistance expenditures by a county above the amount of  
17.8 the commissioner's allocation to the county must be made from county funds.

17.9 Sec. 7. Minnesota Statutes 2020, section 256D.06, subdivision 5, is amended to read:

17.10 Subd. 5. **Eligibility; requirements.** (a) Any applicant, otherwise eligible for general  
17.11 assistance and possibly eligible for maintenance benefits from any other source shall (1)  
17.12 make application for those benefits within ~~30~~ 90 days of the general assistance application,  
17.13 unless an applicant had good cause to not apply within that period; and (2) execute an interim  
17.14 assistance agreement on a form as directed by the commissioner.

17.15 (b) The commissioner shall review a denial of an application for other maintenance  
17.16 benefits and may require a recipient of general assistance to file an appeal of the denial if  
17.17 appropriate. If found eligible for benefits from other sources, and a payment received from  
17.18 another source relates to the period during which general assistance was also being received,  
17.19 the recipient shall be required to reimburse the county agency for the interim assistance  
17.20 paid. Reimbursement shall not exceed the amount of general assistance paid during the time  
17.21 period to which the other maintenance benefits apply and shall not exceed the state standard  
17.22 applicable to that time period.

17.23 (c) The commissioner may contract with the county agencies, qualified agencies,  
17.24 organizations, or persons to provide advocacy and support services to process claims for  
17.25 federal disability benefits for applicants or recipients of services or benefits supervised by  
17.26 the commissioner using money retained under this section.

17.27 (d) The commissioner may provide methods by which county agencies shall identify,  
17.28 refer, and assist recipients who may be eligible for benefits under federal programs for  
17.29 people with a disability.

17.30 (e) The total amount of interim assistance recoveries retained under this section for  
17.31 advocacy, support, and claim processing services shall not exceed 35 percent of the interim  
17.32 assistance recoveries in the prior fiscal year.

18.1 Sec. 8. Minnesota Statutes 2020, section 256E.35, subdivision 1, is amended to read:

18.2 Subdivision 1. **Establishment.** The Minnesota family assets for independence initiative  
 18.3 is established to provide incentives for low-income families to accrue assets for education,  
 18.4 housing, vehicles, emergencies, and economic development purposes.

18.5 Sec. 9. Minnesota Statutes 2020, section 256E.35, subdivision 2, is amended to read:

18.6 Subd. 2. **Definitions.** (a) The definitions in this subdivision apply to this section.

18.7 (b) "Eligible educational institution" means the following:

18.8 (1) an institution of higher education described in section 101 or 102 of the Higher  
 18.9 Education Act of 1965; or

18.10 (2) an area vocational education school, as defined in subparagraph (C) or (D) of United  
 18.11 States Code, title 20, chapter 44, section 2302 (3) (the Carl D. Perkins Vocational and  
 18.12 Applied Technology Education Act), which is located within any state, as defined in United  
 18.13 States Code, title 20, chapter 44, section 2302 (30). This clause is applicable only to the  
 18.14 extent section 2302 is in effect on August 1, 2008.

18.15 (c) "Family asset account" means a savings account opened by a household participating  
 18.16 in the Minnesota family assets for independence initiative.

18.17 (d) "Fiduciary organization" means:

18.18 (1) a community action agency that has obtained recognition under section 256E.31;

18.19 (2) a federal community development credit union ~~servicing the seven-county metropolitan~~  
 18.20 ~~area; or~~

18.21 (3) a women-oriented economic development agency ~~servicing the seven-county~~  
 18.22 ~~metropolitan area;~~

18.23 (4) a federally recognized Tribal nation; or

18.24 (5) a nonprofit organization as defined under section 501(c)(3) of the Internal Revenue  
 18.25 Code.

18.26 (e) "Financial coach" means a person who:

18.27 (1) has completed an intensive financial literacy training workshop that includes  
 18.28 curriculum on budgeting to increase savings, debt reduction and asset building, building a  
 18.29 good credit rating, and consumer protection;

19.1 (2) participates in ongoing statewide family assets for independence in Minnesota (FAIM)  
 19.2 network training meetings under FAIM program supervision; and

19.3 (3) provides financial coaching to program participants under subdivision 4a.

19.4 (f) "Financial institution" means a bank, bank and trust, savings bank, savings association,  
 19.5 or credit union, the deposits of which are insured by the Federal Deposit Insurance  
 19.6 Corporation or the National Credit Union Administration.

19.7 (g) "Household" means all individuals who share use of a dwelling unit as primary  
 19.8 quarters for living and eating separate from other individuals.

19.9 (h) "Permissible use" means:

19.10 (1) postsecondary educational expenses at an eligible educational institution as defined  
 19.11 in paragraph (b), including books, supplies, and equipment required for courses of instruction;

19.12 (2) acquisition costs of acquiring, constructing, or reconstructing a residence, including  
 19.13 any usual or reasonable settlement, financing, or other closing costs;

19.14 (3) business capitalization expenses for expenditures on capital, plant, equipment, working  
 19.15 capital, and inventory expenses of a legitimate business pursuant to a business plan approved  
 19.16 by the fiduciary organization;

19.17 (4) acquisition costs of a principal residence within the meaning of section 1034 of the  
 19.18 Internal Revenue Code of 1986 which do not exceed 100 percent of the average area purchase  
 19.19 price applicable to the residence determined according to section 143(e)(2) and (3) of the  
 19.20 Internal Revenue Code of 1986; ~~and~~

19.21 (5) acquisition costs of a personal vehicle only if approved by the fiduciary organization;

19.22 (6) contribution to an emergency savings account; and

19.23 (7) contribution to a Minnesota 529 savings plan.

19.24 Sec. 10. Minnesota Statutes 2020, section 256E.35, subdivision 4a, is amended to read:

19.25 Subd. 4a. **Financial coaching.** A financial coach shall provide the following to program  
 19.26 participants:

19.27 (1) financial education relating to budgeting, debt reduction, asset-specific training,  
 19.28 credit building, and financial stability activities;

19.29 (2) asset-specific training related to buying a home or vehicle, acquiring postsecondary  
 19.30 education, ~~or starting or expanding a small business,~~ saving for emergencies, or saving for  
 19.31 a child's education; and

20.1 (3) financial stability education and training to improve and sustain financial security.

20.2 Sec. 11. Minnesota Statutes 2020, section 256E.35, subdivision 6, is amended to read:

20.3 Subd. 6. **Withdrawal; matching; permissible uses.** (a) To receive a match, a  
 20.4 participating household must transfer funds withdrawn from a family asset account to its  
 20.5 matching fund custodial account held by the fiscal agent, according to the family asset  
 20.6 agreement. The fiscal agent must determine if the match request is for a permissible use  
 20.7 consistent with the household's family asset agreement.

20.8 (b) The fiscal agent must ensure the household's custodial account contains the applicable  
 20.9 matching funds to match the balance in the household's account, including interest, on at  
 20.10 least a quarterly basis and at the time of an approved withdrawal. Matches must be a  
 20.11 contribution of \$3 from state grant or TANF funds for every \$1 of funds withdrawn from  
 20.12 the family asset account not to exceed a ~~\$6,000~~ \$9,000 lifetime limit.

20.13 (c) Notwithstanding paragraph (b), if funds are appropriated for the Federal Assets for  
 20.14 Independence Act of 1998, and a participating fiduciary organization is awarded a grant  
 20.15 under that act, participating households with that fiduciary organization must be provided  
 20.16 matches as follows:

20.17 (1) from state grant and TANF funds, a matching contribution of \$1.50 for every \$1 of  
 20.18 funds withdrawn from the family asset account not to exceed a ~~\$3,000~~ \$4,500 lifetime limit;  
 20.19 and

20.20 (2) from nonstate funds, a matching contribution of not less than \$1.50 for every \$1 of  
 20.21 funds withdrawn from the family asset account not to exceed a ~~\$3,000~~ \$4,500 lifetime limit.

20.22 (d) Upon receipt of transferred custodial account funds, the fiscal agent must make a  
 20.23 direct payment to the vendor of the goods or services for the permissible use.

20.24 Sec. 12. Minnesota Statutes 2020, section 256I.03, subdivision 13, is amended to read:

20.25 Subd. 13. **Prospective budgeting.** "Prospective budgeting" ~~means estimating the amount~~  
 20.26 ~~of monthly income a person will have in the payment month~~ has the meaning given in  
 20.27 section 256P.01, subdivision 9.

20.28 Sec. 13. Minnesota Statutes 2020, section 256I.06, subdivision 6, is amended to read:

20.29 Subd. 6. **Reports.** Recipients must report changes in circumstances according to section  
 20.30 256P.07 ~~that affect eligibility or housing support payment amounts, other than changes in~~  
 20.31 ~~earned income, within ten days of the change.~~ Recipients with countable earned income

21.1 must complete a household report form ~~at least once every six months~~ according to section  
 21.2 256P.10. ~~If the report form is not received before the end of the month in which it is due,~~  
 21.3 ~~the county agency must terminate eligibility for housing support payments. The termination~~  
 21.4 ~~shall be effective on the first day of the month following the month in which the report was~~  
 21.5 ~~due. If a complete report is received within the month eligibility was terminated, the~~  
 21.6 ~~individual is considered to have continued an application for housing support payment~~  
 21.7 ~~effective the first day of the month the eligibility was terminated.~~

21.8 Sec. 14. Minnesota Statutes 2021 Supplement, section 256I.06, subdivision 8, is amended  
 21.9 to read:

21.10 Subd. 8. **Amount of housing support payment.** (a) The amount of a room and board  
 21.11 payment to be made on behalf of an eligible individual is determined by subtracting the  
 21.12 individual's countable income under section 256I.04, subdivision 1, for a whole calendar  
 21.13 month from the room and board rate for that same month. The housing support payment is  
 21.14 determined by multiplying the housing support rate times the period of time the individual  
 21.15 was a resident or temporarily absent under section 256I.05, subdivision 2a.

21.16 (b) For an individual with earned income under paragraph (a), prospective budgeting  
 21.17 according to section 256P.09 must be used to ~~determine the amount of the individual's~~  
 21.18 ~~payment for the following six-month period. An increase in income shall not affect an~~  
 21.19 ~~individual's eligibility or payment amount until the month following the reporting month.~~  
 21.20 ~~A decrease in income shall be effective the first day of the month after the month in which~~  
 21.21 ~~the decrease is reported.~~

21.22 (c) For an individual who receives housing support payments under section 256I.04,  
 21.23 subdivision 1, paragraph (c), the amount of the housing support payment is determined by  
 21.24 multiplying the housing support rate times the period of time the individual was a resident.

21.25 Sec. 15. Minnesota Statutes 2020, section 256I.06, subdivision 10, is amended to read:

21.26 Subd. 10. **Correction of overpayments and underpayments.** The agency shall make  
 21.27 an adjustment to housing support payments issued to individuals consistent with requirements  
 21.28 of federal law and regulation and state law and rule and shall issue or recover benefits as  
 21.29 appropriate. A recipient or former recipient is not responsible for overpayments due to  
 21.30 agency error, ~~unless the amount of the overpayment is large enough that a reasonable person~~  
 21.31 ~~would know it is an error.~~

22.1 Sec. 16. Minnesota Statutes 2020, section 256I.09, is amended to read:

22.2 **256I.09 COMMUNITY LIVING INFRASTRUCTURE.**

22.3 The commissioner shall award grants to agencies through an annual competitive process.  
 22.4 Grants awarded under this section may be used for: (1) outreach to locate and engage people  
 22.5 who are homeless or residing in segregated settings to screen for basic needs and assist with  
 22.6 referral to community living resources; (2) building capacity to provide technical assistance  
 22.7 and consultation on housing and related support service resources for persons with both  
 22.8 disabilities and low income; ~~or~~ (3) streamlining the administration and monitoring activities  
 22.9 related to housing support funds; or (4) direct assistance to individuals to access or maintain  
 22.10 housing in community settings. Agencies may collaborate and submit a joint application  
 22.11 for funding under this section.

22.12 Sec. 17. Minnesota Statutes 2020, section 256J.08, subdivision 71, is amended to read:

22.13 Subd. 71. **Prospective budgeting.** "Prospective budgeting" ~~means a method of~~  
 22.14 ~~determining the amount of the assistance payment in which the budget month and payment~~  
 22.15 ~~month are the same~~ has the meaning given in section 256P.01, subdivision 9.

22.16 Sec. 18. Minnesota Statutes 2020, section 256J.08, subdivision 79, is amended to read:

22.17 Subd. 79. **Recurring income.** "Recurring income" means a form of income which is:

22.18 (1) received periodically, and may be received irregularly when receipt can be anticipated  
 22.19 even though the date of receipt cannot be predicted; and

22.20 (2) from the same source or of the same type that is received and budgeted in a  
 22.21 prospective month ~~and is received in one or both of the first two retrospective months.~~

22.22 Sec. 19. Minnesota Statutes 2021 Supplement, section 256J.21, subdivision 3, is amended  
 22.23 to read:

22.24 Subd. 3. **Initial income test.** (a) The agency shall determine initial eligibility by  
 22.25 considering all earned and unearned income as defined in section 256P.06. To be eligible  
 22.26 for MFIP, the assistance unit's countable income minus the earned income disregards in  
 22.27 paragraph (a) and section 256P.03 must be below the family wage level according to section  
 22.28 256J.24, subdivision 7, for that size assistance unit.

22.29 ~~(a)~~ (b) The initial eligibility determination must disregard the following items:

22.30 (1) the earned income disregard as determined in section 256P.03;

23.1 (2) dependent care costs must be deducted from gross earned income for the actual  
 23.2 amount paid for dependent care up to a maximum of \$200 per month for each child less  
 23.3 than two years of age, and \$175 per month for each child two years of age and older;

23.4 (3) all payments made according to a court order for spousal support or the support of  
 23.5 children not living in the assistance unit's household shall be disregarded from the income  
 23.6 of the person with the legal obligation to pay support; and

23.7 (4) an allocation for the unmet need of an ineligible spouse or an ineligible child under  
 23.8 the age of 21 for whom the caregiver is financially responsible and who lives with the  
 23.9 caregiver according to section 256J.36.

23.10 ~~(b) After initial eligibility is established,~~ (c) The income test is for a six-month period.  
 23.11 The assistance payment calculation is based on ~~the monthly income test~~ prospective budgeting  
 23.12 according to section 256P.09.

23.13 Sec. 20. Minnesota Statutes 2020, section 256J.21, subdivision 4, is amended to read:

23.14 Subd. 4. **Monthly Income test and determination of assistance payment.** ~~The county~~  
 23.15 ~~agency shall determine ongoing eligibility and the assistance payment amount according~~  
 23.16 ~~to the monthly income test.~~ To be eligible for MFIP, the result of the computations in  
 23.17 paragraphs (a) to (e) applied to prospective budgeting must be at least \$1.

23.18 (a) Apply an income disregard as defined in section 256P.03, to gross earnings and  
 23.19 subtract this amount from the family wage level. If the difference is equal to or greater than  
 23.20 the MFIP transitional standard, the assistance payment is equal to the MFIP transitional  
 23.21 standard. If the difference is less than the MFIP transitional standard, the assistance payment  
 23.22 is equal to the difference. The earned income disregard in this paragraph must be deducted  
 23.23 every month there is earned income.

23.24 (b) All payments made according to a court order for spousal support or the support of  
 23.25 children not living in the assistance unit's household must be disregarded from the income  
 23.26 of the person with the legal obligation to pay support.

23.27 (c) An allocation for the unmet need of an ineligible spouse or an ineligible child under  
 23.28 the age of 21 for whom the caregiver is financially responsible and who lives with the  
 23.29 caregiver must be made according to section 256J.36.

23.30 (d) Subtract unearned income dollar for dollar from the MFIP transitional standard to  
 23.31 determine the assistance payment amount.

24.1 (e) When income is both earned and unearned, the amount of the assistance payment  
 24.2 must be determined by first treating gross earned income as specified in paragraph (a). After  
 24.3 determining the amount of the assistance payment under paragraph (a), unearned income  
 24.4 must be subtracted from that amount dollar for dollar to determine the assistance payment  
 24.5 amount.

24.6 ~~(f) When the monthly income is greater than the MFIP transitional standard after~~  
 24.7 ~~deductions and the income will only exceed the standard for one month, the county agency~~  
 24.8 ~~must suspend the assistance payment for the payment month.~~

24.9 Sec. 21. Minnesota Statutes 2021 Supplement, section 256J.33, subdivision 1, is amended  
 24.10 to read:

24.11 Subdivision 1. **Determination of eligibility.** (a) A county agency must determine MFIP  
 24.12 eligibility prospectively ~~for a payment month~~ based on ~~retrospectively~~ assessing income  
 24.13 and the county agency's best estimate of the circumstances that will exist in the payment  
 24.14 month.

24.15 ~~(b) Except as described in section 256J.34, subdivision 1, when prospective eligibility~~  
 24.16 ~~exists,~~ A county agency must calculate the amount of the assistance payment using  
 24.17 ~~retrospective~~ prospective budgeting. To determine MFIP eligibility and the assistance  
 24.18 payment amount, a county agency must apply countable income, described in sections  
 24.19 256P.06 and 256J.37, subdivisions 3 to ~~4~~ 9, received by members of an assistance unit or  
 24.20 by other persons whose income is counted for the assistance unit, described under sections  
 24.21 256J.37, subdivisions 1 to 2, and 256P.06, subdivision 1.

24.22 (c) This income must be applied to the MFIP standard of need or family wage level  
 24.23 subject to this section and sections 256J.34 to 256J.36. Countable income as described in  
 24.24 section 256P.06, subdivision 3, received ~~in a calendar month~~ must be applied to the needs  
 24.25 of an assistance unit.

24.26 (d) An assistance unit is not eligible when the countable income equals or exceeds the  
 24.27 MFIP standard of need or the family wage level for the assistance unit.

24.28 Sec. 22. Minnesota Statutes 2020, section 256J.33, subdivision 2, is amended to read:

24.29 Subd. 2. **Prospective eligibility.** An agency must determine whether the eligibility  
 24.30 requirements that pertain to an assistance unit, including those in sections 256J.11 to 256J.15  
 24.31 and 256P.02, will be met prospectively for the payment ~~month~~ period. ~~Except for the~~



25.1 ~~provisions in section 256J.34, subdivision 1,~~ The income test will be applied ~~retrospectively~~  
25.2 prospectively.

25.3 Sec. 23. Minnesota Statutes 2020, section 256J.37, subdivision 3, is amended to read:

25.4 Subd. 3. **Earned income of wage, salary, and contractual employees.** The agency  
25.5 must include gross earned income less any disregards in the initial ~~and monthly~~ income  
25.6 test. Gross earned income received by persons employed on a contractual basis must be  
25.7 prorated over the period covered by the contract even when payments are received over a  
25.8 lesser period of time.

25.9 Sec. 24. Minnesota Statutes 2020, section 256J.37, subdivision 3a, is amended to read:

25.10 Subd. 3a. **Rental subsidies; unearned income.** (a) Effective July 1, 2003, the agency  
25.11 shall count \$50 of the value of public and assisted rental subsidies provided through the  
25.12 Department of Housing and Urban Development (HUD) as unearned income to the cash  
25.13 portion of the MFIP grant. The full amount of the subsidy must be counted as unearned  
25.14 income when the subsidy is less than \$50. The income from this subsidy shall be budgeted  
25.15 according to section ~~256J.34~~ 256P.09.

25.16 (b) The provisions of this subdivision shall not apply to an MFIP assistance unit which  
25.17 includes a participant who is:

25.18 (1) age 60 or older;

25.19 (2) a caregiver who is suffering from an illness, injury, or incapacity that has been  
25.20 certified by a qualified professional when the illness, injury, or incapacity is expected to  
25.21 continue for more than 30 days and severely limits the person's ability to obtain or maintain  
25.22 suitable employment; or

25.23 (3) a caregiver whose presence in the home is required due to the illness or incapacity  
25.24 of another member in the assistance unit, a relative in the household, or a foster child in the  
25.25 household when the illness or incapacity and the need for the participant's presence in the  
25.26 home has been certified by a qualified professional and is expected to continue for more  
25.27 than 30 days.

25.28 (c) The provisions of this subdivision shall not apply to an MFIP assistance unit where  
25.29 the parental caregiver is an SSI participant.

26.1 Sec. 25. Minnesota Statutes 2020, section 256J.95, subdivision 19, is amended to read:

26.2 Subd. 19. **DWP overpayments and underpayments.** DWP benefits are subject to  
26.3 overpayments and underpayments. Anytime an overpayment or an underpayment is  
26.4 determined for DWP, the correction shall be calculated using prospective budgeting.  
26.5 Corrections shall be determined based on the policy in section ~~256J.34, subdivision 1,~~  
26.6 ~~paragraphs (a), (b), and (c)~~ 256P.09, subdivisions 1 to 4. ATM errors must be recovered as  
26.7 specified in section 256P.08, subdivision 7. Cross program recoupment of overpayments  
26.8 cannot be assigned to or from DWP.

26.9 Sec. 26. Minnesota Statutes 2020, section 256K.45, subdivision 3, is amended to read:

26.10 Subd. 3. **Street and community outreach and drop-in program.** Youth drop-in centers  
26.11 must provide walk-in access to crisis intervention and ongoing supportive services including  
26.12 one-to-one case management services on a self-referral basis. Street and community outreach  
26.13 programs must locate, contact, and provide information, referrals, and services to homeless  
26.14 youth, youth at risk of homelessness, and runaways. Information, referrals, and services  
26.15 provided may include, but are not limited to:

26.16 (1) family reunification services;

26.17 (2) conflict resolution or mediation counseling;

26.18 (3) assistance in obtaining temporary emergency shelter;

26.19 (4) assistance in obtaining food, clothing, medical care, or mental health counseling;

26.20 (5) counseling regarding violence, sexual exploitation, substance abuse, sexually  
26.21 transmitted diseases, and pregnancy;

26.22 (6) referrals to other agencies that provide support services to homeless youth, youth at  
26.23 risk of homelessness, and runaways;

26.24 (7) assistance with education, employment, and independent living skills;

26.25 (8) aftercare services;

26.26 (9) specialized services for highly vulnerable runaways and homeless youth, including  
26.27 ~~teen~~ but not limited to youth at risk of discrimination based on sexual orientation or gender  
26.28 identity, young parents, emotionally disturbed and mentally ill youth, and sexually exploited  
26.29 youth; and

26.30 (10) homelessness prevention.

27.1 Sec. 27. Minnesota Statutes 2020, section 256P.01, is amended by adding a subdivision  
27.2 to read:

27.3 Subd. 9. **Prospective budgeting.** "Prospective budgeting" means estimating the amount  
27.4 of monthly income that an assistance unit will have in the payment month.

27.5 Sec. 28. Minnesota Statutes 2021 Supplement, section 256P.02, subdivision 1a, is amended  
27.6 to read:

27.7 Subd. 1a. **Exemption.** Participants who qualify for child care assistance programs under  
27.8 chapter 119B are exempt from this section, except that the personal property identified in  
27.9 subdivision 2 is counted toward the asset limit of the child care assistance program under  
27.10 chapter 119B. Vehicles under subdivision 3 and accounts under subdivision 4 are not counted  
27.11 toward the asset limit of the child care assistance program under chapter 119B.

27.12 Sec. 29. Minnesota Statutes 2021 Supplement, section 256P.02, subdivision 2, is amended  
27.13 to read:

27.14 Subd. 2. **Personal property limitations.** The equity value of an assistance unit's personal  
27.15 property listed in clauses (1) to (5) must not exceed \$10,000 for applicants and participants.  
27.16 For purposes of this subdivision, personal property is limited to:

27.17 (1) cash;

27.18 (2) bank accounts not excluded under subdivision 4;

27.19 (3) liquid stocks and bonds that can be readily accessed without a financial penalty;

27.20 (4) vehicles not excluded under subdivision 3; and

27.21 (5) the full value of business accounts used to pay expenses not related to the business.

27.22 Sec. 30. Minnesota Statutes 2020, section 256P.02, is amended by adding a subdivision  
27.23 to read:

27.24 Subd. 4. **Account exception.** Family asset accounts under section 256E.35 and individual  
27.25 development accounts authorized under the Assets for Independence Act, Title IV of the  
27.26 Community Opportunities, Accountability, and Training and Educational Services Human  
27.27 Services Reauthorization Act of 1998, Public Law 105-285, shall be excluded when  
27.28 determining the equity value of personal property.

28.1 Sec. 31. Minnesota Statutes 2021 Supplement, section 256P.04, subdivision 4, is amended  
28.2 to read:

28.3 Subd. 4. **Factors to be verified.** (a) The agency shall verify the following at application:

28.4 (1) identity of adults;

28.5 (2) age, if necessary to determine eligibility;

28.6 (3) immigration status;

28.7 (4) income;

28.8 (5) spousal support and child support payments made to persons outside the household;

28.9 (6) vehicles;

28.10 (7) checking and savings accounts, including but not limited to any business accounts

28.11 used to pay expenses not related to the business;

28.12 (8) inconsistent information, if related to eligibility;

28.13 (9) residence; and

28.14 (10) Social Security number; ~~and~~.

28.15 ~~(11) use of nonrecurring income under section 256P.06, subdivision 3, clause (2), item~~

28.16 ~~(ix), for the intended purpose for which it was given and received.~~

28.17 (b) Applicants who are qualified noncitizens and victims of domestic violence as defined  
28.18 under section 256J.08, subdivision 73, clauses (8) and (9), are not required to verify the  
28.19 information in paragraph (a), clause (10). When a Social Security number is not provided  
28.20 to the agency for verification, this requirement is satisfied when each member of the  
28.21 assistance unit cooperates with the procedures for verification of Social Security numbers,  
28.22 issuance of duplicate cards, and issuance of new numbers which have been established  
28.23 jointly between the Social Security Administration and the commissioner.

28.24 Sec. 32. Minnesota Statutes 2021 Supplement, section 256P.04, subdivision 8, is amended  
28.25 to read:

28.26 Subd. 8. **Recertification.** The agency shall recertify eligibility annually. During  
28.27 recertification and reporting under section 256P.10, the agency shall verify the following:

28.28 (1) income, unless excluded, including self-employment earnings;

28.29 (2) assets when the value is within \$200 of the asset limit; and

28.30 (3) inconsistent information, if related to eligibility.

29.1 Sec. 33. Minnesota Statutes 2021 Supplement, section 256P.06, subdivision 3, is amended  
 29.2 to read:

29.3 Subd. 3. **Income inclusions.** The following must be included in determining the income  
 29.4 of an assistance unit:

29.5 (1) earned income; and

29.6 (2) unearned income, which includes:

29.7 (i) interest and dividends from investments and savings;

29.8 (ii) capital gains as defined by the Internal Revenue Service from any sale of real property;

29.9 (iii) proceeds from rent and contract for deed payments in excess of the principal and  
 29.10 interest portion owed on property;

29.11 (iv) income from trusts, excluding special needs and supplemental needs trusts;

29.12 (v) interest income from loans made by the participant or household;

29.13 (vi) cash prizes and winnings;

29.14 (vii) unemployment insurance income that is received by an adult member of the  
 29.15 assistance unit unless the individual receiving unemployment insurance income is:

29.16 (A) 18 years of age and enrolled in a secondary school; or

29.17 (B) 18 or 19 years of age, a caregiver, and is enrolled in school at least half-time;

29.18 (viii) retirement, survivors, and disability insurance payments;

29.19 ~~(ix) nonrecurring income over \$60 per quarter unless the nonrecurring income is: (A)~~  
 29.20 ~~from tax refunds, tax rebates, or tax credits; (B) a reimbursement, rebate, award, grant, or~~  
 29.21 ~~refund of personal or real property or costs or losses incurred when these payments are~~  
 29.22 ~~made by: a public agency; a court; solicitations through public appeal; a federal, state, or~~  
 29.23 ~~local unit of government; or a disaster assistance organization; (C) provided as an in-kind~~  
 29.24 ~~benefit; or (D) earmarked and used for the purpose for which it was intended, subject to~~  
 29.25 ~~verification requirements under section 256P.04;~~

29.26 ~~(x)~~ (ix) retirement benefits;

29.27 ~~(xi)~~ (x) cash assistance benefits, as defined by each program in chapters 119B, 256D,  
 29.28 256I, and 256J;

29.29 ~~(xii)~~ (xi) Tribal per capita payments unless excluded by federal and state law;

30.1 ~~(xiii)~~ (xii) income and payments from service and rehabilitation programs that meet or  
 30.2 exceed the state's minimum wage rate;

30.3 ~~(xiv)~~ (xiii) income from members of the United States armed forces unless excluded  
 30.4 from income taxes according to federal or state law;

30.5 ~~(xv)~~ (xiv) all child support payments for programs under chapters 119B, 256D, and 256I;

30.6 ~~(xvi)~~ (xv) the amount of child support received that exceeds \$100 for assistance units  
 30.7 with one child and \$200 for assistance units with two or more children for programs under  
 30.8 chapter 256J;

30.9 ~~(xvii)~~ (xvi) spousal support; and

30.10 ~~(xviii)~~ (xvii) workers' compensation.

30.11 Sec. 34. Minnesota Statutes 2020, section 256P.07, subdivision 1, is amended to read:

30.12 Subdivision 1. **Exempted programs.** Participants who receive Supplemental Security  
 30.13 Income and qualify for Minnesota supplemental aid under chapter 256D and or for housing  
 30.14 support under chapter 256I on the basis of eligibility for Supplemental Security Income are  
 30.15 exempt from ~~this section~~ reporting income under this chapter.

30.16 Sec. 35. Minnesota Statutes 2020, section 256P.07, is amended by adding a subdivision  
 30.17 to read:

30.18 Subd. 1a. **Child care assistance programs.** Participants who qualify for child care  
 30.19 assistance programs under chapter 119B are exempt from this section except the reporting  
 30.20 requirements in subdivision 6.

30.21 Sec. 36. Minnesota Statutes 2020, section 256P.07, subdivision 2, is amended to read:

30.22 Subd. 2. **Reporting requirements.** An applicant or participant must provide information  
 30.23 on an application and any subsequent reporting forms about the assistance unit's  
 30.24 circumstances that affect eligibility or benefits. An applicant or assistance unit must report  
 30.25 changes that affect eligibility or benefits as identified in ~~subdivision~~ subdivisions 3, 4, 5,  
 30.26 7, 8, and 9, during the application period or by the tenth of the month following the month  
 30.27 the assistance unit's circumstances changed. When information is not accurately reported,  
 30.28 both an overpayment and a referral for a fraud investigation may result. When information  
 30.29 or documentation is not provided, the receipt of any benefit may be delayed or denied,  
 30.30 depending on the type of information required and its effect on eligibility.

31.1 Sec. 37. Minnesota Statutes 2020, section 256P.07, subdivision 3, is amended to read:

31.2 Subd. 3. **Changes that must be reported.** ~~An assistance unit must report the changes~~  
31.3 ~~or anticipated changes specified in clauses (1) to (12) within ten days of the date they occur,~~  
31.4 ~~at the time of recertification of eligibility under section 256P.04, subdivisions 8 and 9, or~~  
31.5 ~~within eight calendar days of a reporting period, whichever occurs first. An assistance unit~~  
31.6 ~~must report other changes at the time of recertification of eligibility under section 256P.04,~~  
31.7 ~~subdivisions 8 and 9, or at the end of a reporting period, as applicable. When an agency~~  
31.8 ~~could have reduced or terminated assistance for one or more payment months if a delay in~~  
31.9 ~~reporting a change specified under clauses (1) to (12) had not occurred, the agency must~~  
31.10 ~~determine whether a timely notice could have been issued on the day that the change~~  
31.11 ~~occurred. When a timely notice could have been issued, each month's overpayment~~  
31.12 ~~subsequent to that notice must be considered a client error overpayment under section~~  
31.13 ~~119B.11, subdivision 2a, or 256P.08. Changes in circumstances that must be reported within~~  
31.14 ~~ten days must also be reported for the reporting period in which those changes occurred.~~  
31.15 ~~Within ten days, an assistance unit must report:~~

31.16 ~~(1) a change in earned income of \$100 per month or greater with the exception of a~~  
31.17 ~~program under chapter 119B;~~

31.18 ~~(2) a change in unearned income of \$50 per month or greater with the exception of a~~  
31.19 ~~program under chapter 119B;~~

31.20 ~~(3) a change in employment status and hours with the exception of a program under~~  
31.21 ~~chapter 119B;~~

31.22 ~~(4) a change in address or residence;~~

31.23 ~~(5) a change in household composition with the exception of programs under chapter~~  
31.24 ~~256I;~~

31.25 ~~(6) a receipt of a lump-sum payment with the exception of a program under chapter~~  
31.26 ~~119B;~~

31.27 ~~(7) an increase in assets if over \$9,000 with the exception of programs under chapter~~  
31.28 ~~119B;~~

31.29 ~~(8) a change in citizenship or immigration status;~~

31.30 ~~(9) a change in family status with the exception of programs under chapter 256I;~~

31.31 ~~(10) a change in disability status of a unit member, with the exception of programs under~~  
31.32 ~~chapter 119B;~~

32.1 ~~(11) a new rent subsidy or a change in rent subsidy with the exception of a program~~  
 32.2 ~~under chapter 119B; and~~

32.3 ~~(12) a sale, purchase, or transfer of real property with the exception of a program under~~  
 32.4 ~~chapter 119B.~~

32.5 (a) An assistance unit must report changes or anticipated changes as described in this  
 32.6 subdivision.

32.7 (b) An assistance unit must report:

32.8 (1) a change in eligibility for Supplemental Security Income, Retirement Survivors  
 32.9 Disability Insurance, or another federal income support;

32.10 (2) a change in address or residence;

32.11 (3) a change in household composition with the exception of programs under chapter  
 32.12 256I;

32.13 (4) cash prizes and winnings according to guidance provided for the Supplemental  
 32.14 Nutrition Assistance Program;

32.15 (5) a change in citizenship or immigration status;

32.16 (6) a change in family status with the exception of programs under chapter 256I; and

32.17 (7) a change that makes the value of the unit's assets at or above the asset limit.

32.18 (c) When an agency could have reduced or terminated assistance for one or more payment  
 32.19 months if a delay in reporting a change specified under paragraph (b) had not occurred, the  
 32.20 agency must determine whether the agency could have issued a timely notice on the day  
 32.21 that the change occurred. When a timely notice could have been issued, each month's  
 32.22 overpayment subsequent to the notice must be considered a client error overpayment under  
 32.23 section 256P.08.

32.24 Sec. 38. Minnesota Statutes 2020, section 256P.07, subdivision 4, is amended to read:

32.25 Subd. 4. **MFIP-specific reporting.** In addition to subdivision 3, an assistance unit under  
 32.26 chapter 256J, ~~within ten days of the change,~~ must report:

32.27 (1) a pregnancy not resulting in birth when there are no other minor children; ~~and~~

32.28 (2) a change in school attendance of a parent under 20 years of age ~~or of an employed~~  
 32.29 ~~child;~~ and



33.1 (3) an individual in the household who is 18 or 19 years of age attending high school  
 33.2 who graduates or drops out of school.

33.3 Sec. 39. Minnesota Statutes 2020, section 256P.07, subdivision 6, is amended to read:

33.4 Subd. 6. **Child care assistance programs-specific reporting.** (a) ~~In addition to~~  
 33.5 ~~subdivision 3,~~ An assistance unit under chapter 119B, within ten days of the change, must  
 33.6 report:

33.7 (1) a change in a parentally responsible individual's custody schedule for any child  
 33.8 receiving child care assistance program benefits;

33.9 (2) a permanent end in a parentally responsible individual's authorized activity; ~~and~~

33.10 (3) if the unit's family's annual included income exceeds 85 percent of the state median  
 33.11 income, adjusted for family size;

33.12 (4) a change in address or residence;

33.13 (5) a change in household composition;

33.14 (6) a change in citizenship or immigration status; and

33.15 (7) a change in family status.

33.16 (b) An assistance unit subject to section 119B.095, subdivision 1, paragraph (b), must  
 33.17 report a change in the unit's authorized activity status.

33.18 (c) An assistance unit must notify the county when the unit wants to reduce the number  
 33.19 of authorized hours for children in the unit.

33.20 Sec. 40. Minnesota Statutes 2020, section 256P.07, subdivision 7, is amended to read:

33.21 Subd. 7. **Minnesota supplemental aid-specific reporting.** (a) In addition to subdivision  
 33.22 3, an assistance unit participating in the Minnesota supplemental aid program under ~~section~~  
 33.23 ~~256D.44, subdivision 5, paragraph (g), within ten days of the change, chapter 256D and not~~  
 33.24 receiving Supplemental Security Income must report shelter expenses:

33.25 (1) a change in unearned income of \$50 per month or greater; and

33.26 (2) a change in earned income of \$100 per month or greater.

33.27 (b) An assistance unit receiving housing assistance under section 256D.44, subdivision  
 33.28 5, paragraph (g), including assistance units that also receive Supplemental Security Income,  
 33.29 must report:

34.1 (1) a change in shelter expenses; and

34.2 (2) a new rent subsidy or a change in rent subsidy.

34.3 Sec. 41. Minnesota Statutes 2020, section 256P.07, is amended by adding a subdivision  
34.4 to read:

34.5 Subd. 8. **Housing support-specific reporting.** (a) In addition to subdivision 3, an  
34.6 assistance unit participating in the housing support program under chapter 256I and not  
34.7 receiving Supplemental Security Income must report:

34.8 (1) a change in unearned income of \$50 per month or greater; and

34.9 (2) a change in earned income of \$100 per month or greater, unless the assistance unit  
34.10 is already subject to six-month reporting requirements in section 256P.10.

34.11 (b) Notwithstanding the exemptions in subdivisions 1 and 3, an assistance unit receiving  
34.12 housing support under chapter 256I, including an assistance unit that receives Supplemental  
34.13 Security Income, must report:

34.14 (1) a new rent subsidy or a change in rent subsidy;

34.15 (2) a change in the disability status of a unit member; and

34.16 (3) a change in household composition if the assistance unit is a participant in housing  
34.17 support under section 256I.04, subdivision 3, paragraph (a), clause (3).

34.18 Sec. 42. Minnesota Statutes 2020, section 256P.07, is amended by adding a subdivision  
34.19 to read:

34.20 Subd. 9. **General assistance-specific reporting.** In addition to subdivision 3, an  
34.21 assistance unit participating in the general assistance program under chapter 256D must  
34.22 report:

34.23 (1) a change in unearned income of \$50 per month or greater;

34.24 (2) a change in earned income of \$100 per month or greater, unless the assistance unit  
34.25 is already subject to six-month reporting requirements in section 256P.10; and

34.26 (3) changes in any condition that would result in the loss of basis for eligibility in section  
34.27 256D.05, subdivision 1, paragraph (a).

35.1 Sec. 43. Minnesota Statutes 2020, section 256P.08, subdivision 2, is amended to read:

35.2 Subd. 2. **Scope of overpayment.** (a) When a participant or former participant receives  
35.3 an overpayment due to client or ATM error, or due to assistance received while an appeal  
35.4 is pending and the participant or former participant is determined ineligible for assistance  
35.5 or for less assistance than was received, except as provided for interim assistance in section  
35.6 256D.06, subdivision 5, the county agency must recoup or recover the overpayment using  
35.7 the following methods:

35.8 (1) reconstruct each affected budget month and corresponding payment month;

35.9 (2) use the policies and procedures that were in effect for the payment month; and

35.10 (3) do not allow employment disregards in the calculation of the overpayment when the  
35.11 unit has not reported within two calendar months following the end of the month in which  
35.12 the income was received.

35.13 (b) Establishment of an overpayment is limited to six years prior to the month of discovery  
35.14 due to client error or an intentional program violation determined under section 256.046.

35.15 (c) A participant or former participant is not responsible for overpayments due to agency  
35.16 error, ~~unless the amount of the overpayment is large enough that a reasonable person would~~  
35.17 ~~know it is an error.~~

35.18 Sec. 44. **[256P.09] PROSPECTIVE BUDGETING OF BENEFITS.**

35.19 Subdivision 1. **Exempted programs.** Assistance units that qualify for child care  
35.20 assistance programs under chapter 119B, assistance units that receive housing support under  
35.21 chapter 256I and are not subject to reporting under section 256P.10, and assistance units  
35.22 that qualify for Minnesota supplemental aid under chapter 256D are exempt from this  
35.23 section.

35.24 Subd. 2. **Prospective budgeting of benefits.** An agency subject to this chapter must use  
35.25 prospective budgeting to calculate the assistance payment amount.

35.26 Subd. 3. **Initial income.** For the purpose of determining an assistance unit's level of  
35.27 benefits, an agency must take into account the income already received by the assistance  
35.28 unit during or anticipated to be received during the application period. Income anticipated  
35.29 to be received only in the initial month of eligibility should only be counted in the initial  
35.30 month.

35.31 Subd. 4. **Income determination.** An agency must use prospective budgeting to determine  
35.32 the amount of the assistance unit's benefit for the eligibility period based on the best

36.1 information available at the time of approval. An agency shall only count anticipated income  
36.2 when the participant and the agency are reasonably certain of the amount of the payment  
36.3 and the month in which the payment will be received. If the exact amount of the income is  
36.4 not known, the agency shall consider only the amounts that can be anticipated as income.

36.5 Subd. 5. **Income changes.** An increase in income shall not affect an assistance unit's  
36.6 eligibility or benefit amount until the next review unless otherwise required to be reported  
36.7 in section 256P.07. A decrease in income shall be effective on the date that the change  
36.8 occurs if the change is reported by the tenth of the month following the month when the  
36.9 change occurred. If the assistant unit does not report the change in income by the tenth of  
36.10 the month following the month when the change occurred, the change in income shall be  
36.11 effective on the date the change was reported.

36.12 **Sec. 45. HOMELESSNESS AND HOUSING STABILITY WORKFORCE STUDY.**

36.13 The commissioner of human services must conduct a survey to study workforce  
36.14 information, including average wage and benefits, among other elements, for workers in  
36.15 emergency shelters, transitional housing, street outreach, and site-based housing for long-term  
36.16 homeless supportive services programs. The commissioner must submit a report to the  
36.17 chairs and ranking minority members of the legislative committees and divisions with  
36.18 jurisdiction over housing and homelessness issues by February 1, 2024. The report must  
36.19 comply with Minnesota Statutes, sections 3.195 and 3.197.

36.20 **Sec. 46. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES; CHILD**  
36.21 **CARE AND DEVELOPMENT FUND ALLOCATION.**

36.22 The commissioner of human services shall allocate \$75,364,000 in fiscal year 2023 from  
36.23 the child care and development fund for rate and registration fee increases under Minnesota  
36.24 Statutes, section 119B.13, subdivision 1, paragraphs (a) and (j). This is a onetime allocation.

36.25 **Sec. 47. REPEALER.**

36.26 (a) Minnesota Statutes 2020, sections 256J.08, subdivisions 10, 61, 62, 81, and 83;  
36.27 256J.30, subdivisions 5 and 7; 256J.33, subdivisions 3 and 5; 256J.34, subdivisions 1, 2, 3,  
36.28 and 4; and 256J.37, subdivision 10, are repealed.

36.29 (b) Minnesota Statutes 2021 Supplement, sections 256J.08, subdivision 53; 256J.30,  
36.30 subdivision 8; and 256J.33, subdivision 4, are repealed.

37.1 **ARTICLE 3**

37.2 **BEHAVIORAL HEALTH**

37.3 Section 1. Minnesota Statutes 2020, section 62N.25, subdivision 5, is amended to read:

37.4 Subd. 5. **Benefits.** Community integrated service networks must offer the health  
37.5 maintenance organization benefit set, as defined in chapter 62D, and other laws applicable  
37.6 to entities regulated under chapter 62D. Community networks and chemical dependency  
37.7 facilities under contract with a community network shall use the assessment criteria in  
37.8 ~~Minnesota Rules, parts 9530.6600 to 9530.6655,~~ section 245G.05 when assessing enrollees  
37.9 for chemical dependency treatment.

37.10 **EFFECTIVE DATE.** This section is effective July 1, 2022.

37.11 Sec. 2. Minnesota Statutes 2020, section 62Q.1055, is amended to read:

37.12 **62Q.1055 CHEMICAL DEPENDENCY.**

37.13 All health plan companies shall use the assessment criteria in ~~Minnesota Rules, parts~~  
37.14 ~~9530.6600 to 9530.6655,~~ section 245G.05 when assessing and ~~placing~~ treating enrollees  
37.15 for chemical dependency treatment.

37.16 **EFFECTIVE DATE.** This section is effective July 1, 2022.

37.17 Sec. 3. Minnesota Statutes 2020, section 62Q.47, is amended to read:

37.18 **62Q.47 ALCOHOLISM, MENTAL HEALTH, AND CHEMICAL DEPENDENCY**  
37.19 **SERVICES.**

37.20 (a) All health plans, as defined in section 62Q.01, that provide coverage for alcoholism,  
37.21 mental health, or chemical dependency services, must comply with the requirements of this  
37.22 section.

37.23 (b) Cost-sharing requirements and benefit or service limitations for outpatient mental  
37.24 health and outpatient chemical dependency and alcoholism services, except for persons  
37.25 ~~placed in~~ seeking chemical dependency services under ~~Minnesota Rules, parts 9530.6600~~  
37.26 ~~to 9530.6655~~ section 245G.05, must not place a greater financial burden on the insured or  
37.27 enrollee, or be more restrictive than those requirements and limitations for outpatient medical  
37.28 services.

37.29 (c) Cost-sharing requirements and benefit or service limitations for inpatient hospital  
37.30 mental health and inpatient hospital and residential chemical dependency and alcoholism  
37.31 services, except for persons ~~placed in~~ seeking chemical dependency services under ~~Minnesota~~

38.1 ~~Rules, parts 9530.6600 to 9530.6655~~ section 245G.05, must not place a greater financial  
38.2 burden on the insured or enrollee, or be more restrictive than those requirements and  
38.3 limitations for inpatient hospital medical services.

38.4 (d) A health plan company must not impose an NQTL with respect to mental health and  
38.5 substance use disorders in any classification of benefits unless, under the terms of the health  
38.6 plan as written and in operation, any processes, strategies, evidentiary standards, or other  
38.7 factors used in applying the NQTL to mental health and substance use disorders in the  
38.8 classification are comparable to, and are applied no more stringently than, the processes,  
38.9 strategies, evidentiary standards, or other factors used in applying the NQTL with respect  
38.10 to medical and surgical benefits in the same classification.

38.11 (e) All health plans must meet the requirements of the federal Mental Health Parity Act  
38.12 of 1996, Public Law 104-204; Paul Wellstone and Pete Domenici Mental Health Parity and  
38.13 Addiction Equity Act of 2008; the Affordable Care Act; and any amendments to, and federal  
38.14 guidance or regulations issued under, those acts.

38.15 (f) The commissioner may require information from health plan companies to confirm  
38.16 that mental health parity is being implemented by the health plan company. Information  
38.17 required may include comparisons between mental health and substance use disorder  
38.18 treatment and other medical conditions, including a comparison of prior authorization  
38.19 requirements, drug formulary design, claim denials, rehabilitation services, and other  
38.20 information the commissioner deems appropriate.

38.21 (g) Regardless of the health care provider's professional license, if the service provided  
38.22 is consistent with the provider's scope of practice and the health plan company's credentialing  
38.23 and contracting provisions, mental health therapy visits and medication maintenance visits  
38.24 shall be considered primary care visits for the purpose of applying any enrollee cost-sharing  
38.25 requirements imposed under the enrollee's health plan.

38.26 (h) By June 1 of each year, beginning June 1, 2021, the commissioner of commerce, in  
38.27 consultation with the commissioner of health, shall submit a report on compliance and  
38.28 oversight to the chairs and ranking minority members of the legislative committees with  
38.29 jurisdiction over health and commerce. The report must:

38.30 (1) describe the commissioner's process for reviewing health plan company compliance  
38.31 with United States Code, title 42, section 18031(j), any federal regulations or guidance  
38.32 relating to compliance and oversight, and compliance with this section and section 62Q.53;

38.33 (2) identify any enforcement actions taken by either commissioner during the preceding  
38.34 12-month period regarding compliance with parity for mental health and substance use

39.1 disorders benefits under state and federal law, summarizing the results of any market conduct  
39.2 examinations. The summary must include: (i) the number of formal enforcement actions  
39.3 taken; (ii) the benefit classifications examined in each enforcement action; and (iii) the  
39.4 subject matter of each enforcement action, including quantitative and nonquantitative  
39.5 treatment limitations;

39.6 (3) detail any corrective action taken by either commissioner to ensure health plan  
39.7 company compliance with this section, section 62Q.53, and United States Code, title 42,  
39.8 section 18031(j); and

39.9 (4) describe the information provided by either commissioner to the public about  
39.10 alcoholism, mental health, or chemical dependency parity protections under state and federal  
39.11 law.

39.12 The report must be written in nontechnical, readily understandable language and must be  
39.13 made available to the public by, among other means as the commissioners find appropriate,  
39.14 posting the report on department websites. Individually identifiable information must be  
39.15 excluded from the report, consistent with state and federal privacy protections.

39.16 **EFFECTIVE DATE.** This section is effective July 1, 2022.

39.17 Sec. 4. Minnesota Statutes 2020, section 169A.70, subdivision 3, is amended to read:

39.18 Subd. 3. **Assessment report.** (a) The assessment report must be on a form prescribed  
39.19 by the commissioner and shall contain an evaluation of the convicted defendant concerning  
39.20 the defendant's prior traffic and criminal record, characteristics and history of alcohol and  
39.21 chemical use problems, and amenability to rehabilitation through the alcohol safety program.  
39.22 The report is classified as private data on individuals as defined in section 13.02, subdivision  
39.23 12.

39.24 (b) The assessment report must include:

39.25 (1) a diagnosis of the nature of the offender's chemical and alcohol involvement;

39.26 (2) an assessment of the severity level of the involvement;

39.27 (3) a recommended level of care for the offender in accordance with the criteria contained  
39.28 in ~~rules adopted by the commissioner of human services under section 254A.03, subdivision~~  
39.29 ~~3 (chemical dependency treatment rules)~~ section 245G.05;

39.30 (4) an assessment of the offender's placement needs;

39.31 (5) recommendations for other appropriate remedial action or care, including aftercare  
39.32 services in section 254B.01, subdivision 3, that may consist of educational programs,

40.1 one-on-one counseling, a program or type of treatment that addresses mental health concerns,  
40.2 or a combination of them; and

40.3 (6) a specific explanation why no level of care or action was recommended, if applicable.

40.4 **EFFECTIVE DATE.** This section is effective July 1, 2022.

40.5 Sec. 5. Minnesota Statutes 2020, section 169A.70, subdivision 4, is amended to read:

40.6 Subd. 4. **Assessor standards; rules; assessment time limits.** A chemical use assessment  
40.7 required by this section must be conducted by an assessor appointed by the court. The  
40.8 assessor must meet the training and qualification requirements of ~~rules adopted by the~~  
40.9 ~~commissioner of human services under section 254A.03, subdivision 3 (chemical dependency~~  
40.10 ~~treatment rules)~~ section 245G.11, subdivisions 1 and 5. Notwithstanding section 13.82 (law  
40.11 enforcement data), the assessor shall have access to any police reports, laboratory test results,  
40.12 and other law enforcement data relating to the current offense or previous offenses that are  
40.13 necessary to complete the evaluation. ~~An assessor providing an assessment under this section~~  
40.14 ~~may not have any direct or shared financial interest or referral relationship resulting in~~  
40.15 ~~shared financial gain with a treatment provider, except as authorized under section 254A.19,~~  
40.16 ~~subdivision 3. If an independent assessor is not available, the court may use the services of~~  
40.17 ~~an assessor authorized to perform assessments for the county social services agency under~~  
40.18 ~~a variance granted under rules adopted by the commissioner of human services under section~~  
40.19 ~~254A.03, subdivision 3.~~ An appointment for the defendant to undergo the assessment must  
40.20 be made by the court, a court services probation officer, or the court administrator as soon  
40.21 as possible but in no case more than one week after the defendant's court appearance. The  
40.22 assessment must be completed no later than three weeks after the defendant's court  
40.23 appearance. If the assessment is not performed within this time limit, the county where the  
40.24 defendant is to be sentenced shall perform the assessment. The county of financial  
40.25 responsibility must be determined under chapter 256G.

40.26 **EFFECTIVE DATE.** This section is effective July 1, 2022.

40.27 Sec. 6. **[245.4866] CHILDREN'S MENTAL HEALTH COMMUNITY OF**  
40.28 **PRACTICE.**

40.29 Subdivision 1. **Establishment; purpose.** The commissioner of human services, in  
40.30 consultation with children's mental health subject matter experts, shall establish a children's  
40.31 mental health community of practice. The purposes of the community of practice are to  
40.32 improve treatment outcomes for children and adolescents with mental illness and reduce



41.1 disparities. The community of practice shall use evidence-based and best practices through  
41.2 peer-to-peer and person-to-provider sharing.

41.3 Subd. 2. **Participants; meetings.** (a) The community of practice must include the  
41.4 following participants:

41.5 (1) researchers or members of the academic community who are children's mental health  
41.6 subject matter experts who do not have financial relationships with treatment providers;

41.7 (2) children's mental health treatment providers;

41.8 (3) a representative from a mental health advocacy organization;

41.9 (4) a representative from the Department of Human Services;

41.10 (5) a representative from the Department of Health;

41.11 (6) a representative from the Department of Education;

41.12 (7) representatives from county social services agencies;

41.13 (8) representatives from Tribal nations or Tribal social services providers; and

41.14 (9) representatives from managed care organizations.

41.15 (b) The community of practice must include, to the extent possible, individuals and  
41.16 family members who have used mental health treatment services and must highlight the  
41.17 voices and experiences of individuals who are Black, Indigenous, people of color, and  
41.18 people from other communities that are disproportionately impacted by mental illness.

41.19 (c) The community of practice must meet regularly and must hold its first meeting before  
41.20 January 1, 2023.

41.21 (d) Compensation and reimbursement for expenses for participants in paragraph (b) are  
41.22 governed by section 15.059, subdivision 3.

41.23 Subd. 3. **Duties.** (a) The community of practice must:

41.24 (1) identify gaps in children's mental health treatment services;

41.25 (2) enhance collective knowledge of issues related to children's mental health;

41.26 (3) understand evidence-based practices, best practices, and promising approaches to  
41.27 address children's mental health;

41.28 (4) use knowledge gathered through the community of practice to develop strategic plans  
41.29 to improve outcomes for children who participate in mental health treatment and related  
41.30 services in Minnesota;

42.1 (5) increase knowledge about the challenges and opportunities learned by implementing  
42.2 strategies; and

42.3 (6) develop capacity for community advocacy.

42.4 (b) The commissioner, in collaboration with subject matter experts and other participants,  
42.5 may issue reports and recommendations to the chairs and ranking minority members of the  
42.6 legislative committees with jurisdiction over health and human services policy and finance  
42.7 and to local and regional governments.

42.8 Sec. 7. Minnesota Statutes 2021 Supplement, section 245.4889, subdivision 1, is amended  
42.9 to read:

42.10 Subdivision 1. **Establishment and authority.** (a) The commissioner is authorized to  
42.11 make grants from available appropriations to assist:

42.12 (1) counties;

42.13 (2) Indian tribes;

42.14 (3) children's collaboratives under section 124D.23 or 245.493; or

42.15 (4) mental health service providers.

42.16 (b) The following services are eligible for grants under this section:

42.17 (1) services to children with emotional disturbances as defined in section 245.4871,  
42.18 subdivision 15, and their families;

42.19 (2) transition services under section 245.4875, subdivision 8, for young adults under  
42.20 age 21 and their families;

42.21 (3) respite care services for children with emotional disturbances or severe emotional  
42.22 disturbances who are at risk of out-of-home placement or already in out-of-home placement  
42.23 in family foster settings as defined in chapter 245A and at risk of change in out-of-home  
42.24 placement or placement in a residential facility or other higher level of care. Allowable  
42.25 activities and expenses for respite care services are defined under subdivision 4. A child is  
42.26 not required to have case management services to receive respite care services;

42.27 (4) children's mental health crisis services;

42.28 (5) mental health services for people from cultural and ethnic minorities, including  
42.29 supervision of clinical trainees who are Black, indigenous, or people of color;

42.30 (6) children's mental health screening and follow-up diagnostic assessment and treatment;

- 43.1 (7) services to promote and develop the capacity of providers to use evidence-based  
43.2 practices in providing children's mental health services;
- 43.3 (8) school-linked mental health services under section 245.4901;
- 43.4 (9) building evidence-based mental health intervention capacity for children birth to age  
43.5 five;
- 43.6 (10) suicide prevention and counseling services that use text messaging statewide;
- 43.7 (11) mental health first aid training;
- 43.8 (12) training for parents, collaborative partners, and mental health providers on the  
43.9 impact of adverse childhood experiences and trauma and development of an interactive  
43.10 website to share information and strategies to promote resilience and prevent trauma;
- 43.11 (13) transition age services to develop or expand mental health treatment and supports  
43.12 for adolescents and young adults 26 years of age or younger;
- 43.13 (14) early childhood mental health consultation;
- 43.14 (15) evidence-based interventions for youth at risk of developing or experiencing a first  
43.15 episode of psychosis, and a public awareness campaign on the signs and symptoms of  
43.16 psychosis;
- 43.17 (16) psychiatric consultation for primary care practitioners; ~~and~~
- 43.18 (17) providers to begin operations and meet program requirements when establishing a  
43.19 new children's mental health program. These may be start-up grants; and
- 43.20 (18) evidence-informed interventions for youth and young adults who are at risk of  
43.21 developing a mood disorder or are experiencing an emerging mood disorder, including  
43.22 major depression and bipolar disorders, and a public awareness campaign on the signs and  
43.23 symptoms of mood disorders in youth and young adults.
- 43.24 (c) Services under paragraph (b) must be designed to help each child to function and  
43.25 remain with the child's family in the community and delivered consistent with the child's  
43.26 treatment plan. Transition services to eligible young adults under this paragraph must be  
43.27 designed to foster independent living in the community.
- 43.28 (d) As a condition of receiving grant funds, a grantee shall obtain all available third-party  
43.29 reimbursement sources, if applicable.
- 43.30 **EFFECTIVE DATE.** This section is effective July 1, 2022.

44.1 Sec. 8. Minnesota Statutes 2020, section 245.4889, is amended by adding a subdivision  
44.2 to read:

44.3 Subd. 4. **Respite care services.** Respite care services under subdivision 1, paragraph  
44.4 (b), clause (3), include hourly or overnight stays at a licensed foster home or with a qualified  
44.5 and approved family member or friend and may occur at a child's or provider's home. Respite  
44.6 care services may also include the following activities and expenses:

44.7 (1) recreational, sport, and nonsport extracurricular activities and programs for the child  
44.8 including camps, clubs, activities, lessons, group outings, sports, or other activities and  
44.9 programs;

44.10 (2) family activities, camps, and retreats that the family does together and provide a  
44.11 break from the family's circumstance;

44.12 (3) cultural programs and activities for the child and family designed to address the  
44.13 unique needs of individuals who share a common language, racial, ethnic, or social  
44.14 background; and

44.15 (4) costs of transportation, food, supplies, and equipment directly associated with  
44.16 approved respite care services and expenses necessary for the child and family to access  
44.17 and participate in respite care services.

44.18 **EFFECTIVE DATE.** This section is effective July 1, 2022.

44.19 Sec. 9. **[245.4903] FIRST EPISODE OF PSYCHOSIS GRANT PROGRAM.**

44.20 Subdivision 1. **Creation.** The first episode of psychosis grant program is established in  
44.21 the Department of Human Services to fund evidence-based interventions for youth at risk  
44.22 of developing or experiencing a first episode of psychosis and a public awareness campaign  
44.23 on the signs and symptoms of psychosis. First episode of psychosis services are eligible for  
44.24 children's mental health grants as specified in section 245.4889, subdivision 1, paragraph  
44.25 (b), clause (15).

44.26 Subd. 2. **Activities.** (a) All first episode of psychosis grant programs must:

44.27 (1) provide intensive treatment and support for adolescents and adults experiencing or  
44.28 at risk of experiencing a first psychotic episode. Intensive treatment and support includes  
44.29 medication management, psychoeducation for an individual and an individual's family, case  
44.30 management, employment support, education support, cognitive behavioral approaches,  
44.31 social skills training, peer support, crisis planning, and stress management;

45.1 (2) conduct outreach and provide training and guidance to mental health and health care  
 45.2 professionals, including postsecondary health clinicians, on early psychosis symptoms,  
 45.3 screening tools, and best practices;

45.4 (3) ensure access for individuals to first psychotic episode services under this section,  
 45.5 including access for individuals who live in rural areas; and

45.6 (4) use all available funding streams.

45.7 (b) Grant money may also be used to pay for housing or travel expenses for individuals  
 45.8 receiving services or to address other barriers preventing individuals and their families from  
 45.9 participating in first psychotic episode services.

45.10 Subd. 3. **Eligibility.** Program activities must be provided to people 15 to 40 years old  
 45.11 with early signs of psychosis.

45.12 Subd. 4. **Outcomes.** Evaluation of program activities must utilize evidence-based  
 45.13 practices and must include the following outcome evaluation criteria:

45.14 (1) whether individuals experience a reduction in psychotic symptoms;

45.15 (2) whether individuals experience a decrease in inpatient mental health hospitalizations;  
 45.16 and

45.17 (3) whether individuals experience an increase in educational attainment.

45.18 Subd. 5. **Federal aid or grants.** The commissioner of human services must comply with  
 45.19 all conditions and requirements necessary to receive federal aid or grants.

45.20 Sec. 10. **[245.4904] EMERGING MOOD DISORDER GRANT PROGRAM.**

45.21 Subdivision 1. **Creation.** (a) The emerging mood disorder grant program is established  
 45.22 in the Department of Human Services to fund:

45.23 (1) evidence-informed interventions for youth and young adults who are at risk of  
 45.24 developing a mood disorder or are experiencing an emerging mood disorder, including  
 45.25 major depression and bipolar disorders; and

45.26 (2) a public awareness campaign on the signs and symptoms of mood disorders in youth  
 45.27 and young adults.

45.28 (b) Emerging mood disorder services are eligible for children's mental health grants as  
 45.29 specified in section 245.4889, subdivision 1, paragraph (b), clause (18).

45.30 Subd. 2. **Activities.** (a) All emerging mood disorder grant programs must:

46.1 (1) provide intensive treatment and support to adolescents and young adults experiencing  
 46.2 or at risk of experiencing an emerging mood disorder. Intensive treatment and support  
 46.3 includes medication management, psychoeducation for the individual and the individual's  
 46.4 family, case management, employment support, education support, cognitive behavioral  
 46.5 approaches, social skills training, peer support, crisis planning, and stress management;

46.6 (2) conduct outreach and provide training and guidance to mental health and health care  
 46.7 professionals, including postsecondary health clinicians, on early symptoms of mood  
 46.8 disorders, screening tools, and best practices;

46.9 (3) ensure access for individuals to emerging mood disorder services under this section,  
 46.10 including ensuring access for individuals who live in rural areas; and

46.11 (4) use all available funding streams.

46.12 (b) Grant money may also be used to pay for housing or travel expenses for individuals  
 46.13 receiving services or to address other barriers preventing individuals and their families from  
 46.14 participating in emerging mood disorder services.

46.15 (c) Grant money may be used by the grantee to evaluate the efficacy of providing  
 46.16 intensive services and supports to people with emerging mood disorders.

46.17 Subd. 3. **Eligibility.** Program activities must be provided to youth and young adults with  
 46.18 early signs of an emerging mood disorder.

46.19 Subd. 4. **Outcomes.** Evaluation of program activities must utilize evidence-based  
 46.20 practices and must include the following outcome evaluation criteria:

46.21 (1) whether individuals experience a reduction in mood disorder symptoms; and

46.22 (2) whether individuals experience a decrease in inpatient mental health hospitalizations.

46.23 Sec. 11. Minnesota Statutes 2020, section 245.713, subdivision 2, is amended to read:

46.24 **Subd. 2. Total funds available; allocation.** Funds granted to the state by the federal  
 46.25 government under United States Code, title 42, sections 300X to 300X-9 each federal fiscal  
 46.26 year for mental health services must be allocated as follows:

46.27 (a) Any amount set aside by the commissioner of human services for American Indian  
 46.28 organizations within the state, which funds shall not duplicate any direct federal funding of  
 46.29 American Indian organizations and which funds shall be at least 25 percent of the total  
 46.30 federal allocation to the state for mental health services; ~~provided that sufficient applications~~  
 46.31 ~~for funding are received by the commissioner which meet the specifications contained in~~  
 46.32 ~~requests for proposals.~~ Money from this source may be used for special committees to advise

47.1 the commissioner on mental health programs and services for American Indians and other  
47.2 minorities or underserved groups. For purposes of this subdivision, "American Indian  
47.3 organization" means an American Indian tribe or band or an organization providing mental  
47.4 health services that is legally incorporated as a nonprofit organization registered with the  
47.5 secretary of state and governed by a board of directors having at least a majority of American  
47.6 Indian directors.

47.7 (b) An amount not to exceed five percent of the federal block grant allocation for mental  
47.8 health services to be retained by the commissioner for administration.

47.9 (c) Any amount permitted under federal law which the commissioner approves for  
47.10 demonstration or research projects for severely disturbed children and adolescents, the  
47.11 underserved, special populations or multiply disabled mentally ill persons. The groups to  
47.12 be served, the extent and nature of services to be provided, the amount and duration of any  
47.13 grant awards are to be based on criteria set forth in the Alcohol, Drug Abuse and Mental  
47.14 Health Block Grant Law, United States Code, title 42, sections 300X to 300X-9, and on  
47.15 state policies and procedures determined necessary by the commissioner. Grant recipients  
47.16 must comply with applicable state and federal requirements and demonstrate fiscal and  
47.17 program management capabilities that will result in provision of quality, cost-effective  
47.18 services.

47.19 (d) The amount required under federal law, for federally mandated expenditures.

47.20 (e) An amount not to exceed 15 percent of the federal block grant allocation for mental  
47.21 health services to be retained by the commissioner for planning and evaluation.

47.22 **EFFECTIVE DATE.** This section is effective July 1, 2022.

47.23 Sec. 12. **[245.991] PROJECTS FOR ASSISTANCE IN TRANSITION FROM**  
47.24 **HOMELESSNESS PROGRAM.**

47.25 **Subdivision 1. Creation.** The projects for assistance in transition from homelessness  
47.26 program is established in the Department of Human Services to prevent or end homelessness  
47.27 for people with serious mental illness and substance use disorders and ensure the  
47.28 commissioner may achieve the goals of the housing mission statement in section 245.461,  
47.29 subdivision 4.

47.30 **Subd. 2. Activities.** All projects for assistance in transition from homelessness must  
47.31 provide homeless outreach and case management services. Projects may provide clinical  
47.32 assessment, habilitation and rehabilitation services, community mental health services,

48.1 substance use disorder treatment, housing transition and sustaining services, direct assistance  
48.2 funding, and other activities as determined by the commissioner.

48.3 Subd. 3. **Eligibility.** Program activities must be provided to people with serious mental  
48.4 illness or a substance use disorder who meet homeless criteria determined by the  
48.5 commissioner. People receiving homeless outreach may be presumed eligible until a serious  
48.6 mental illness or a substance use disorder can be verified.

48.7 Subd. 4. **Outcomes.** Evaluation of each project must include the following outcome  
48.8 evaluation criteria:

48.9 (1) whether people are contacted through homeless outreach services;

48.10 (2) whether people are enrolled in case management services;

48.11 (3) whether people access behavioral health services; and

48.12 (4) whether people transition from homelessness to housing.

48.13 Subd. 5. **Federal aid or grants.** The commissioner of human services must comply with  
48.14 all conditions and requirements necessary to receive federal aid or grants with respect to  
48.15 homeless services or programs as specified in section 245.70.

48.16 Sec. 13. **[245.992] HOUSING WITH SUPPORT FOR BEHAVIORAL HEALTH.**

48.17 Subdivision 1. **Creation.** The housing with support for behavioral health program is  
48.18 established in the Department of Human Services to prevent or end homelessness for people  
48.19 with serious mental illness and substance use disorders, increase the availability of housing  
48.20 with support, and ensure the commissioner may achieve the goals of the housing mission  
48.21 statement in section 245.461, subdivision 4.

48.22 Subd. 2. **Activities.** The housing with support for behavioral health program may provide  
48.23 a range of activities and supportive services to ensure that people obtain and retain permanent  
48.24 supportive housing. Program activities may include case management, site-based housing  
48.25 services, housing transition and sustaining services, outreach services, community support  
48.26 services, direct assistance funding, and other activities as determined by the commissioner.

48.27 Subd. 3. **Eligibility.** Program activities must be provided to people with a serious mental  
48.28 illness or a substance use disorder who meet homeless criteria determined by the  
48.29 commissioner.

48.30 Subd. 4. **Outcomes.** Evaluation of program activities must utilize evidence-based  
48.31 practices and must include the following outcome evaluation criteria:



49.1 (1) whether housing and activities utilize evidence-based practices;

49.2 (2) whether people transition from homelessness to housing;

49.3 (3) whether people retain housing; and

49.4 (4) whether people are satisfied with their current housing.

49.5 Sec. 14. Minnesota Statutes 2020, section 245F.03, is amended to read:

49.6 **245F.03 APPLICATION.**

49.7 (a) This chapter establishes minimum standards for withdrawal management programs  
49.8 licensed by the commissioner that serve one or more unrelated persons.

49.9 (b) This chapter does not apply to a withdrawal management program licensed as a  
49.10 hospital under sections 144.50 to 144.581. A withdrawal management program located in  
49.11 a hospital licensed under sections 144.50 to 144.581 that chooses to be licensed under this  
49.12 chapter is deemed to be in compliance with section 245F.13.

49.13 ~~(c) Minnesota Rules, parts 9530.6600 to 9530.6655, do not apply to withdrawal~~  
49.14 ~~management programs licensed under this chapter.~~

49.15 **EFFECTIVE DATE.** This section is effective July 1, 2022.

49.16 Sec. 15. Minnesota Statutes 2020, section 245G.05, subdivision 2, is amended to read:

49.17 Subd. 2. **Assessment summary.** (a) An alcohol and drug counselor must complete an  
49.18 assessment summary within three calendar days from the day of service initiation for a  
49.19 residential program and within three calendar days on which a treatment session has been  
49.20 provided from the day of service initiation for a client in a nonresidential program. The  
49.21 comprehensive assessment summary is complete upon a qualified staff member's dated  
49.22 signature. If the comprehensive assessment is used to authorize the treatment service, the  
49.23 alcohol and drug counselor must prepare an assessment summary on the same date the  
49.24 comprehensive assessment is completed. If the comprehensive assessment and assessment  
49.25 summary are to authorize treatment services, the assessor must determine appropriate level  
49.26 of care and services for the client using the ~~dimensions in Minnesota Rules, part 9530.6622~~  
49.27 criteria established in section 254B.04, subdivision 4, and document the recommendations.

49.28 (b) An assessment summary must include:

49.29 (1) a risk description according to section 245G.05 for each dimension listed in paragraph

49.30 (c);

50.1 (2) a narrative summary supporting the risk descriptions; and

50.2 (3) a determination of whether the client has a substance use disorder.

50.3 (c) An assessment summary must contain information relevant to treatment service  
50.4 planning and recorded in the dimensions in clauses (1) to (6). The license holder must  
50.5 consider:

50.6 (1) Dimension 1, acute intoxication/withdrawal potential; the client's ability to cope with  
50.7 withdrawal symptoms and current state of intoxication;

50.8 (2) Dimension 2, biomedical conditions and complications; the degree to which any  
50.9 physical disorder of the client would interfere with treatment for substance use, and the  
50.10 client's ability to tolerate any related discomfort. The license holder must determine the  
50.11 impact of continued substance use on the unborn child, if the client is pregnant;

50.12 (3) Dimension 3, emotional, behavioral, and cognitive conditions and complications;  
50.13 the degree to which any condition or complication is likely to interfere with treatment for  
50.14 substance use or with functioning in significant life areas and the likelihood of harm to self  
50.15 or others;

50.16 (4) Dimension 4, readiness for change; the support necessary to keep the client involved  
50.17 in treatment service;

50.18 (5) Dimension 5, relapse, continued use, and continued problem potential; the degree  
50.19 to which the client recognizes relapse issues and has the skills to prevent relapse of either  
50.20 substance use or mental health problems; and

50.21 (6) Dimension 6, recovery environment; whether the areas of the client's life are  
50.22 supportive of or antagonistic to treatment participation and recovery.

50.23 **EFFECTIVE DATE.** This section is effective July 1, 2022.

50.24 Sec. 16. Minnesota Statutes 2020, section 245G.22, subdivision 2, is amended to read:

50.25 Subd. 2. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision  
50.26 have the meanings given them.

50.27 (b) "Diversion" means the use of a medication for the treatment of opioid addiction being  
50.28 diverted from intended use of the medication.

50.29 (c) "Guest dose" means administration of a medication used for the treatment of opioid  
50.30 addiction to a person who is not a client of the program that is administering or dispensing  
50.31 the medication.

51.1 (d) "Medical director" means a practitioner licensed to practice medicine in the  
 51.2 jurisdiction that the opioid treatment program is located who assumes responsibility for  
 51.3 administering all medical services performed by the program, either by performing the  
 51.4 services directly or by delegating specific responsibility to a practitioner of the opioid  
 51.5 treatment program.

51.6 (e) "Medication used for the treatment of opioid use disorder" means a medication  
 51.7 approved by the Food and Drug Administration for the treatment of opioid use disorder.

51.8 (f) "Minnesota health care programs" has the meaning given in section 256B.0636.

51.9 (g) "Opioid treatment program" has the meaning given in Code of Federal Regulations,  
 51.10 title 42, section 8.12, and includes programs licensed under this chapter.

51.11 ~~(h) "Placing authority" has the meaning given in Minnesota Rules, part 9530.6605,~~  
 51.12 ~~subpart 21a.~~

51.13 ~~(h)~~ (h) "Practitioner" means a staff member holding a current, unrestricted license to  
 51.14 practice medicine issued by the Board of Medical Practice or nursing issued by the Board  
 51.15 of Nursing and is currently registered with the Drug Enforcement Administration to order  
 51.16 or dispense controlled substances in Schedules II to V under the Controlled Substances Act,  
 51.17 United States Code, title 21, part B, section 821. Practitioner includes an advanced practice  
 51.18 registered nurse and physician assistant if the staff member receives a variance by the state  
 51.19 opioid treatment authority under section 254A.03 and the federal Substance Abuse and  
 51.20 Mental Health Services Administration.

51.21 ~~(h)~~ (i) "Unsupervised use" means the use of a medication for the treatment of opioid use  
 51.22 disorder dispensed for use by a client outside of the program setting.

51.23 **EFFECTIVE DATE.** This section is effective July 1, 2022.

51.24 Sec. 17. Minnesota Statutes 2021 Supplement, section 254A.03, subdivision 3, is amended  
 51.25 to read:

51.26 Subd. 3. **Rules for substance use disorder care.** (a) ~~The commissioner of human~~  
 51.27 ~~services shall establish by rule criteria to be used in determining the appropriate level of~~  
 51.28 ~~chemical dependency care for each recipient of public assistance seeking treatment for~~  
 51.29 ~~substance misuse or substance use disorder. Upon federal approval of a comprehensive~~  
 51.30 ~~assessment as a Medicaid benefit, or on July 1, 2018, whichever is later, and notwithstanding~~  
 51.31 ~~the criteria in Minnesota Rules, parts 9530.6600 to 9530.6655, An eligible vendor of~~  
 51.32 ~~comprehensive assessments under section 254B.05 may determine and approve the~~  
 51.33 ~~appropriate level of substance use disorder treatment for a recipient of public assistance.~~

52.1 The process for determining an individual's financial eligibility for the behavioral health  
 52.2 fund or determining an individual's enrollment in or eligibility for a publicly subsidized  
 52.3 health plan is not affected by the individual's choice to access a comprehensive assessment  
 52.4 for placement.

52.5 (b) The commissioner shall develop and implement a utilization review process for  
 52.6 publicly funded treatment placements to monitor and review the clinical appropriateness  
 52.7 and timeliness of all publicly funded placements in treatment.

52.8 (c) If a screen result is positive for alcohol or substance misuse, a brief screening for  
 52.9 alcohol or substance use disorder that is provided to a recipient of public assistance within  
 52.10 a primary care clinic, hospital, or other medical setting or school setting establishes medical  
 52.11 necessity and approval for an initial set of substance use disorder services identified in  
 52.12 section 254B.05, subdivision 5. The initial set of services approved for a recipient whose  
 52.13 screen result is positive may include any combination of up to four hours of individual or  
 52.14 group substance use disorder treatment, two hours of substance use disorder treatment  
 52.15 coordination, or two hours of substance use disorder peer support services provided by a  
 52.16 qualified individual according to chapter 245G. A recipient must obtain an assessment  
 52.17 pursuant to paragraph (a) to be approved for additional treatment services. ~~Minnesota Rules,~~  
 52.18 ~~parts 9530.6600 to 9530.6655, and~~ A comprehensive assessment pursuant to section 245G.05  
 52.19 ~~are not applicable~~ is not required to receive the initial set of services allowed under this  
 52.20 subdivision. A positive screen result establishes eligibility for the initial set of services  
 52.21 allowed under this subdivision.

52.22 (d) ~~Notwithstanding Minnesota Rules, parts 9530.6600 to 9530.6655,~~ An individual  
 52.23 may choose to obtain a comprehensive assessment as provided in section 245G.05.  
 52.24 Individuals obtaining a comprehensive assessment may access any enrolled provider that  
 52.25 is licensed to provide the level of service authorized pursuant to section 254A.19, subdivision  
 52.26 3, ~~paragraph (d).~~ If the individual is enrolled in a prepaid health plan, the individual must  
 52.27 comply with any provider network requirements or limitations. ~~This paragraph expires July~~  
 52.28 ~~1, 2022.~~

52.29 **EFFECTIVE DATE.** This section is effective July 1, 2022.

52.30 Sec. 18. Minnesota Statutes 2020, section 254A.19, subdivision 1, is amended to read:

52.31 Subdivision 1. **Persons arrested outside of home county.** When a chemical use  
 52.32 assessment is required ~~under Minnesota Rules, parts 9530.6600 to 9530.6655,~~ for a person  
 52.33 who is arrested and taken into custody by a peace officer outside of the person's county of  
 52.34 residence, the ~~assessment must be completed by the person's county of residence no later~~

53.1 ~~than three weeks after the assessment is initially requested. If the assessment is not performed~~  
 53.2 ~~within this time limit, the county where the person is to be sentenced shall perform the~~  
 53.3 ~~assessment~~ county where the person is detained must provide access to an assessor qualified  
 53.4 under subdivision 3. The county of financial responsibility is determined under chapter  
 53.5 256G.

53.6 **EFFECTIVE DATE.** This section is effective July 1, 2022.

53.7 Sec. 19. Minnesota Statutes 2020, section 254A.19, subdivision 3, is amended to read:

53.8 Subd. 3. ~~Financial conflicts of interest~~ Comprehensive assessments. (a) ~~Except as~~  
 53.9 ~~provided in paragraph (b), (c), or (d), an assessor conducting a chemical use assessment~~  
 53.10 ~~under Minnesota Rules, parts 9530.6600 to 9530.6655, may not have any direct or shared~~  
 53.11 ~~financial interest or referral relationship resulting in shared financial gain with a treatment~~  
 53.12 ~~provider.~~

53.13 ~~(b) A county may contract with an assessor having a conflict described in paragraph (a)~~  
 53.14 ~~if the county documents that:~~

53.15 ~~(1) the assessor is employed by a culturally specific service provider or a service provider~~  
 53.16 ~~with a program designed to treat individuals of a specific age, sex, or sexual preference;~~

53.17 ~~(2) the county does not employ a sufficient number of qualified assessors and the only~~  
 53.18 ~~qualified assessors available in the county have a direct or shared financial interest or a~~  
 53.19 ~~referral relationship resulting in shared financial gain with a treatment provider; or~~

53.20 ~~(3) the county social service agency has an existing relationship with an assessor or~~  
 53.21 ~~service provider and elects to enter into a contract with that assessor to provide both~~  
 53.22 ~~assessment and treatment under circumstances specified in the county's contract, provided~~  
 53.23 ~~the county retains responsibility for making placement decisions.~~

53.24 ~~(e) The county may contract with a hospital to conduct chemical assessments if the~~  
 53.25 ~~requirements in subdivision 1a are met.~~

53.26 ~~An assessor under this paragraph may not place clients in treatment. The assessor shall~~  
 53.27 ~~gather required information and provide it to the county along with any required~~  
 53.28 ~~documentation. The county shall make all placement decisions for clients assessed by~~  
 53.29 ~~assessors under this paragraph.~~

53.30 ~~(d) An eligible vendor under section 254B.05 conducting a comprehensive assessment~~  
 53.31 ~~for an individual seeking treatment shall approve the nature, intensity level, and duration~~  
 53.32 ~~of treatment service if a need for services is indicated, but the individual assessed can access~~

54.1 any enrolled provider that is licensed to provide the level of service authorized, including  
 54.2 the provider or program that completed the assessment. If an individual is enrolled in a  
 54.3 prepaid health plan, the individual must comply with any provider network requirements  
 54.4 or limitations.

54.5 **EFFECTIVE DATE.** This section is effective July 1, 2022.

54.6 Sec. 20. Minnesota Statutes 2021 Supplement, section 254A.19, subdivision 4, is amended  
 54.7 to read:

54.8 Subd. 4. **Civil commitments.** A Rule 25 assessment, under Minnesota Rules, part  
 54.9 9530.6615, For the purposes of determining level of care, a comprehensive assessment does  
 54.10 not need to be completed for an individual being committed as a chemically dependent  
 54.11 person, as defined in section 253B.02, and for the duration of a civil commitment under  
 54.12 section 253B.065, 253B.09, or 253B.095 in order for a county to access the behavioral  
 54.13 health fund under section 254B.04. The county must determine if the individual meets the  
 54.14 financial eligibility requirements for the behavioral health fund under section 254B.04.  
 54.15 Nothing in this subdivision prohibits placement in a treatment facility or treatment program  
 54.16 governed under this chapter or Minnesota Rules, parts 9530.6600 to 9530.6655.

54.17 **EFFECTIVE DATE.** This section is effective July 1, 2022.

54.18 Sec. 21. Minnesota Statutes 2020, section 254A.19, is amended by adding a subdivision  
 54.19 to read:

54.20 Subd. 6. **Assessments for detoxification programs.** For detoxification programs licensed  
 54.21 under chapter 245A according to Minnesota Rules, parts 9530.6510 to 9530.6590, a  
 54.22 "chemical use assessment" means a comprehensive assessment and assessment summary  
 54.23 completed according to section 245G.05 and a "chemical dependency assessor" or "assessor"  
 54.24 means an individual who meets the qualifications of section 245G.11, subdivisions 1 and  
 54.25 5.

54.26 **EFFECTIVE DATE.** This section is effective July 1, 2022.

54.27 Sec. 22. Minnesota Statutes 2020, section 254A.19, is amended by adding a subdivision  
 54.28 to read:

54.29 Subd. 7. **Assessments for children's residential facilities.** For children's residential  
 54.30 facilities licensed under chapter 245A according to Minnesota Rules, parts 2960.0010 to  
 54.31 2960.0220 and 2960.0430 to 2960.0500, a "chemical use assessment" means a comprehensive

55.1 assessment and assessment summary completed according to section 245G.05 by an  
55.2 individual who meets the qualifications of section 245G.11, subdivisions 1 and 5.

55.3 **EFFECTIVE DATE.** This section is effective July 1, 2022.

55.4 Sec. 23. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision  
55.5 to read:

55.6 Subd. 2a. **Behavioral health fund.** "Behavioral health fund" means money allocated  
55.7 for payment of treatment services under this chapter.

55.8 **EFFECTIVE DATE.** This section is effective July 1, 2022.

55.9 Sec. 24. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision  
55.10 to read:

55.11 Subd. 2b. **Client.** "Client" means an individual who has requested substance use disorder  
55.12 services, or for whom substance use disorder services have been requested.

55.13 **EFFECTIVE DATE.** This section is effective July 1, 2022.

55.14 Sec. 25. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision  
55.15 to read:

55.16 Subd. 2c. **Co-payment.** "Co-payment" means the amount an insured person is obligated  
55.17 to pay before the person's third-party payment source is obligated to make a payment, or  
55.18 the amount an insured person is obligated to pay in addition to the amount the person's  
55.19 third-party payment source is obligated to pay.

55.20 **EFFECTIVE DATE.** This section is effective July 1, 2022.

55.21 Sec. 26. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision  
55.22 to read:

55.23 Subd. 4c. **Department.** "Department" means the Department of Human Services.

55.24 **EFFECTIVE DATE.** This section is effective July 1, 2022.

55.25 Sec. 27. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision  
55.26 to read:

55.27 Subd. 4d. **Drug and alcohol abuse normative evaluation system or DAANES.** "Drug  
55.28 and alcohol abuse normative evaluation system" or "DAANES" means the reporting system  
55.29 used to collect substance use disorder treatment data across all levels of care and providers.

56.1 **EFFECTIVE DATE.** This section is effective July 1, 2022.

56.2 Sec. 28. Minnesota Statutes 2020, section 254B.01, subdivision 5, is amended to read:

56.3 Subd. 5. **Local agency.** "Local agency" means the agency designated by a board of  
56.4 county commissioners, a local social services agency, or a human services board ~~to make~~  
56.5 ~~placements and submit state invoices according to Laws 1986, chapter 394, sections 8 to~~  
56.6 20 authorized under section 254B.03, subdivision 1, to determine financial eligibility for  
56.7 the behavioral health fund.

56.8 Sec. 29. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision  
56.9 to read:

56.10 Subd. 6a. **Minor child.** "Minor child" means an individual under the age of 18 years.

56.11 **EFFECTIVE DATE.** This section is effective July 1, 2022.

56.12 Sec. 30. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision  
56.13 to read:

56.14 Subd. 6b. **Policy holder.** "Policy holder" means a person who has a third-party payment  
56.15 policy under which a third-party payment source has an obligation to pay all or part of a  
56.16 client's treatment costs.

56.17 **EFFECTIVE DATE.** This section is effective July 1, 2022.

56.18 Sec. 31. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision  
56.19 to read:

56.20 Subd. 9. **Responsible relative.** "Responsible relative" means a person who is a member  
56.21 of the client's household and is a client's spouse or the parent of a minor child who is a  
56.22 client.

56.23 **EFFECTIVE DATE.** This section is effective July 1, 2022.

56.24 Sec. 32. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision  
56.25 to read:

56.26 Subd. 10. **Third-party payment source.** "Third-party payment source" means a person,  
56.27 entity, or public or private agency other than medical assistance or general assistance medical  
56.28 care that has a probable obligation to pay all or part of the costs of a client's substance use  
56.29 disorder treatment.



57.1 **EFFECTIVE DATE.** This section is effective July 1, 2022.

57.2 Sec. 33. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision  
57.3 to read:

57.4 Subd. 11. **Vendor.** "Vendor" means a provider of substance use disorder treatment  
57.5 services that meets the criteria established in section 254B.05 and that has applied to  
57.6 participate as a provider in the medical assistance program according to Minnesota Rules,  
57.7 part 9505.0195.

57.8 **EFFECTIVE DATE.** This section is effective July 1, 2022.

57.9 Sec. 34. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision  
57.10 to read:

57.11 Subd. 12. **American Society of Addiction Medicine criteria or ASAM**  
57.12 **criteria.** "American Society of Addiction Medicine criteria" or "ASAM criteria" means the  
57.13 clinical guidelines for purposes of the assessment, treatment, placement, and transfer or  
57.14 discharge of individuals with substance use disorders. The ASAM criteria are contained in  
57.15 the current edition of the ASAM Criteria: Treatment Criteria for Addictive,  
57.16 Substance-Related, and Co-Occurring Conditions.

57.17 **EFFECTIVE DATE.** This section is effective July 1, 2022.

57.18 Sec. 35. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision  
57.19 to read:

57.20 Subd. 13. **Skilled treatment services.** "Skilled treatment services" means the "treatment  
57.21 services" described by section 245G.07, subdivisions 1, paragraph (a), clauses (1) to (4);  
57.22 and 2, clauses (1) to (6). Skilled treatment services must be provided by qualified  
57.23 professionals as identified in section 245G.07, subdivision 3.

57.24 **EFFECTIVE DATE.** This section is effective July 1, 2022.

57.25 Sec. 36. Minnesota Statutes 2020, section 254B.03, subdivision 1, is amended to read:

57.26 Subdivision 1. **Local agency duties.** (a) Every local agency ~~shall~~ must determine financial  
57.27 eligibility for substance use disorder services and provide ~~chemical dependency~~ substance  
57.28 use disorder services to persons residing within its jurisdiction who meet criteria established  
57.29 by the commissioner for placement in a ~~chemical dependency residential or nonresidential~~

58.1 ~~treatment service~~. Chemical dependency money must be administered by the local agencies  
58.2 according to law and rules adopted by the commissioner under sections 14.001 to 14.69.

58.3 (b) In order to contain costs, the commissioner of human services shall select eligible  
58.4 vendors of chemical dependency services who can provide economical and appropriate  
58.5 treatment. Unless the local agency is a social services department directly administered by  
58.6 a county or human services board, the local agency shall not be an eligible vendor under  
58.7 section 254B.05. The commissioner may approve proposals from county boards to provide  
58.8 services in an economical manner or to control utilization, with safeguards to ensure that  
58.9 necessary services are provided. If a county implements a demonstration or experimental  
58.10 medical services funding plan, the commissioner shall transfer the money as appropriate.

58.11 ~~(e) A culturally specific vendor that provides assessments under a variance under~~  
58.12 ~~Minnesota Rules, part 9530.6610, shall be allowed to provide assessment services to persons~~  
58.13 ~~not covered by the variance.~~

58.14 ~~(d) Notwithstanding Minnesota Rules, parts 9530.6600 to 9530.6655, (c) An individual~~  
58.15 may choose to obtain a comprehensive assessment as provided in section 245G.05.  
58.16 Individuals obtaining a comprehensive assessment may access any enrolled provider that  
58.17 is licensed to provide the level of service authorized pursuant to section 254A.19, subdivision  
58.18 3, ~~paragraph (d)~~. If the individual is enrolled in a prepaid health plan, the individual must  
58.19 comply with any provider network requirements or limitations.

58.20 ~~(e) (d)~~ Beginning July 1, 2022, local agencies shall not make placement location  
58.21 determinations.

58.22 **EFFECTIVE DATE.** This section is effective July 1, 2022.

58.23 Sec. 37. Minnesota Statutes 2021 Supplement, section 254B.03, subdivision 2, is amended  
58.24 to read:

58.25 Subd. 2. **Behavioral health fund payment.** (a) Payment from the behavioral health  
58.26 fund is limited to payments for services identified in section 254B.05, other than  
58.27 detoxification licensed under Minnesota Rules, parts 9530.6510 to 9530.6590, and  
58.28 detoxification provided in another state that would be required to be licensed as a chemical  
58.29 dependency program if the program were in the state. Out of state vendors must also provide  
58.30 the commissioner with assurances that the program complies substantially with state licensing  
58.31 requirements and possesses all licenses and certifications required by the host state to provide  
58.32 chemical dependency treatment. Vendors receiving payments from the behavioral health  
58.33 fund must not require co-payment from a recipient of benefits for services provided under

59.1 this subdivision. The vendor is prohibited from using the client's public benefits to offset  
59.2 the cost of services paid under this section. The vendor shall not require the client to use  
59.3 public benefits for room or board costs. This includes but is not limited to cash assistance  
59.4 benefits under chapters 119B, 256D, and 256J, or SNAP benefits. Retention of SNAP  
59.5 benefits is a right of a client receiving services through the behavioral health fund or through  
59.6 state contracted managed care entities. Payment from the behavioral health fund shall be  
59.7 made for necessary room and board costs provided by vendors meeting the criteria under  
59.8 section 254B.05, subdivision 1a, or in a community hospital licensed by the commissioner  
59.9 of health according to sections 144.50 to 144.56 to a client who is:

59.10 (1) determined to meet the criteria for placement in a residential chemical dependency  
59.11 treatment program according to rules adopted under section 254A.03, subdivision 3; and

59.12 (2) concurrently receiving a chemical dependency treatment service in a program licensed  
59.13 by the commissioner and reimbursed by the behavioral health fund.

59.14 ~~(b) A county may, from its own resources, provide chemical dependency services for~~  
59.15 ~~which state payments are not made. A county may elect to use the same invoice procedures~~  
59.16 ~~and obtain the same state payment services as are used for chemical dependency services~~  
59.17 ~~for which state payments are made under this section if county payments are made to the~~  
59.18 ~~state in advance of state payments to vendors. When a county uses the state system for~~  
59.19 ~~payment, the commissioner shall make monthly billings to the county using the most recent~~  
59.20 ~~available information to determine the anticipated services for which payments will be made~~  
59.21 ~~in the coming month. Adjustment of any overestimate or underestimate based on actual~~  
59.22 ~~expenditures shall be made by the state agency by adjusting the estimate for any succeeding~~  
59.23 ~~month.~~

59.24 ~~(e)~~ (b) The commissioner shall coordinate chemical dependency services and determine  
59.25 whether there is a need for any proposed expansion of chemical dependency treatment  
59.26 services. The commissioner shall deny vendor certification to any provider that has not  
59.27 received prior approval from the commissioner for the creation of new programs or the  
59.28 expansion of existing program capacity. The commissioner shall consider the provider's  
59.29 capacity to obtain clients from outside the state based on plans, agreements, and previous  
59.30 utilization history, when determining the need for new treatment services.

59.31 ~~(d)~~ (c) At least 60 days prior to submitting an application for new licensure under chapter  
59.32 245G, the applicant must notify the county human services director in writing of the  
59.33 applicant's intent to open a new treatment program. The written notification must include,  
59.34 at a minimum:

60.1 (1) a description of the proposed treatment program; and

60.2 (2) a description of the target population to be served by the treatment program.

60.3 ~~(e)~~ (d) The county human services director may submit a written statement to the  
 60.4 commissioner, within 60 days of receiving notice from the applicant, regarding the county's  
 60.5 support of or opposition to the opening of the new treatment program. The written statement  
 60.6 must include documentation of the rationale for the county's determination. The commissioner  
 60.7 shall consider the county's written statement when determining whether there is a need for  
 60.8 the treatment program as required by paragraph ~~(e)~~ (b).

60.9 **EFFECTIVE DATE.** This section is effective July 1, 2022.

60.10 Sec. 38. Minnesota Statutes 2020, section 254B.03, subdivision 5, is amended to read:

60.11 Subd. 5. **Rules; appeal.** The commissioner shall adopt rules as necessary to implement  
 60.12 this chapter. ~~The commissioner shall establish an appeals process for use by recipients when~~  
 60.13 ~~services certified by the county are disputed. The commissioner shall adopt rules and~~  
 60.14 ~~standards for the appeal process to assure adequate redress for persons referred to~~  
 60.15 ~~inappropriate services.~~

60.16 **EFFECTIVE DATE.** This section is effective July 1, 2022.

60.17 Sec. 39. Minnesota Statutes 2021 Supplement, section 254B.04, subdivision 1, is amended  
 60.18 to read:

60.19 Subdivision 1. **Client eligibility.** (a) Persons eligible for benefits under Code of Federal  
 60.20 Regulations, title 25, part 20, who meet the income standards of section 256B.056,  
 60.21 subdivision 4, and are not enrolled in medical assistance, are entitled to behavioral health  
 60.22 fund services. State money appropriated for this paragraph must be placed in a separate  
 60.23 account established for this purpose.

60.24 (b) Persons with dependent children who are determined to be in need of chemical  
 60.25 dependency treatment pursuant to an assessment under section 260E.20, subdivision 1, or  
 60.26 a case plan under section 260C.201, subdivision 6, or 260C.212, shall be assisted by the  
 60.27 local agency to access needed treatment services. Treatment services must be appropriate  
 60.28 for the individual or family, which may include long-term care treatment or treatment in a  
 60.29 facility that allows the dependent children to stay in the treatment facility. The county shall  
 60.30 pay for out-of-home placement costs, if applicable.

61.1 (c) Notwithstanding paragraph (a), persons enrolled in medical assistance are eligible  
61.2 for room and board services under section 254B.05, subdivision 5, paragraph (b), clause  
61.3 (12).

61.4 (d) A client is eligible to have substance use disorder treatment paid for with funds from  
61.5 the behavioral health fund if:

61.6 (1) the client is eligible for MFIP as determined under chapter 256J;

61.7 (2) the client is eligible for medical assistance as determined under Minnesota Rules,  
61.8 parts 9505.0010 to 9505.0150;

61.9 (3) the client is eligible for general assistance, general assistance medical care, or work  
61.10 readiness as determined under Minnesota Rules, parts 9500.1200 to 9500.1272; or

61.11 (4) the client's income is within current household size and income guidelines for entitled  
61.12 persons, as defined in this subdivision and subdivision 7.

61.13 (e) Clients who meet the financial eligibility requirement in paragraph (a) and who have  
61.14 a third-party payment source are eligible for the behavioral health fund if the third-party  
61.15 payment source pays less than 100 percent of the cost of treatment services for eligible  
61.16 clients.

61.17 (f) A client is ineligible to have substance use disorder treatment services paid for by  
61.18 the behavioral health fund if the client:

61.19 (1) has an income that exceeds current household size and income guidelines for entitled  
61.20 persons, as defined in this subdivision and subdivision 7; or

61.21 (2) has an available third-party payment source that will pay the total cost of the client's  
61.22 treatment.

61.23 (g) A client who is disenrolled from a state prepaid health plan during a treatment episode  
61.24 is eligible for continued treatment service paid for by the behavioral health fund until the  
61.25 treatment episode is completed or the client is re-enrolled in a state prepaid health plan if  
61.26 the client:

61.27 (1) continues to be enrolled in MinnesotaCare, medical assistance, or general assistance  
61.28 medical care; or

61.29 (2) is eligible according to paragraphs (a) and (b) and is determined eligible by a local  
61.30 agency under this section.

61.31 (h) If a county commits a client under chapter 253B to a regional treatment center for  
61.32 substance use disorder services and the client is ineligible for the behavioral health fund,

62.1 the county is responsible for payment to the regional treatment center according to section  
 62.2 254B.05, subdivision 4.

62.3 **EFFECTIVE DATE.** This section is effective July 1, 2022.

62.4 Sec. 40. Minnesota Statutes 2020, section 254B.04, subdivision 2a, is amended to read:

62.5 Subd. 2a. Eligibility for ~~treatment in residential settings~~ **room and board services**  
 62.6 **for persons in outpatient substance use disorder treatment.** Notwithstanding provisions  
 62.7 of Minnesota Rules, part 9530.6622, subparts 5 and 6, related to an assessor's discretion in  
 62.8 making placements to residential treatment settings, A person eligible for room and board  
 62.9 services under this section 254B.05, subdivision 5, paragraph (b), clause (12), must score  
 62.10 at level 4 on assessment dimensions related to readiness to change, relapse, continued use,  
 62.11 or recovery environment ~~in order~~ to be assigned to services with a room and board component  
 62.12 reimbursed under this section. Whether a treatment facility has been designated an institution  
 62.13 for mental diseases under United States Code, title 42, section 1396d, shall not be a factor  
 62.14 in making placements.

62.15 **EFFECTIVE DATE.** This section is effective July 1, 2022.

62.16 Sec. 41. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision  
 62.17 to read:

62.18 Subd. 4. **Assessment criteria and risk descriptions.** (a) The level of care determination  
 62.19 must follow criteria approved by the commissioner.

62.20 (b) Dimension 1: the vendor must use the criteria in Dimension 1 to determine a client's  
 62.21 acute intoxication and withdrawal potential.

62.22 (1) "0" The client displays full functioning with good ability to tolerate and cope with  
 62.23 withdrawal discomfort. The client displays no signs or symptoms of intoxication or  
 62.24 withdrawal or diminishing signs or symptoms.

62.25 (2) "1" The client can tolerate and cope with withdrawal discomfort. The client displays  
 62.26 mild to moderate intoxication or signs and symptoms interfering with daily functioning but  
 62.27 does not immediately endanger self or others. The client poses minimal risk of severe  
 62.28 withdrawal.

62.29 (3) "2" The client has some difficulty tolerating and coping with withdrawal discomfort.  
 62.30 The client's intoxication may be severe, but the client responds to support and treatment  
 62.31 such that the client does not immediately endanger self or others. The client displays moderate  
 62.32 signs and symptoms with moderate risk of severe withdrawal.

63.1 (4) "3" The client tolerates and copes with withdrawal discomfort poorly. The client has  
63.2 severe intoxication, such that the client endangers self or others, or has intoxication that has  
63.3 not abated with less intensive services. The client displays severe signs and symptoms, risk  
63.4 of severe but manageable withdrawal, or worsening withdrawal despite detoxification at a  
63.5 less intensive level.

63.6 (5) "4" The client is incapacitated with severe signs and symptoms. The client displays  
63.7 severe withdrawal and is a danger to self or others.

63.8 (c) Dimension 2: the vendor must use the criteria in Dimension 2 to determine a client's  
63.9 biomedical conditions and complications.

63.10 (1) "0" The client displays full functioning with good ability to cope with physical  
63.11 discomfort.

63.12 (2) "1" The client tolerates and copes with physical discomfort and is able to get the  
63.13 services that the client needs.

63.14 (3) "2" The client has difficulty tolerating and coping with physical problems or has  
63.15 other biomedical problems that interfere with recovery and treatment. The client neglects  
63.16 or does not seek care for serious biomedical problems.

63.17 (4) "3" The client tolerates and copes poorly with physical problems or has poor general  
63.18 health. The client neglects the client's medical problems without active assistance.

63.19 (5) "4" The client is unable to participate in substance use disorder treatment and has  
63.20 severe medical problems, has a condition that requires immediate intervention, or is  
63.21 incapacitated.

63.22 (d) Dimension 3: the vendor must use the criteria in Dimension 3 to determine a client's  
63.23 emotional, behavioral, and cognitive conditions and complications.

63.24 (1) "0" The client has good impulse control and coping skills and presents no risk of  
63.25 harm to self or others. The client functions in all life areas and displays no emotional,  
63.26 behavioral, or cognitive problems or the problems are stable.

63.27 (2) "1" The client has impulse control and coping skills. The client presents a mild to  
63.28 moderate risk of harm to self or others or displays symptoms of emotional, behavioral, or  
63.29 cognitive problems. The client has a mental health diagnosis and is stable. The client  
63.30 functions adequately in significant life areas.

63.31 (3) "2" The client has difficulty with impulse control and lacks coping skills. The client  
63.32 has thoughts of suicide or harm to others without means; however, the thoughts may interfere

64.1 with participation in some activities. The client has difficulty functioning in significant life  
64.2 areas. The client has moderate symptoms of emotional, behavioral, or cognitive problems.  
64.3 The client is able to participate in most treatment activities.

64.4 (4) "3" The client has a severe lack of impulse control and coping skills. The client also  
64.5 has frequent thoughts of suicide or harm to others, including a plan and the means to carry  
64.6 out the plan. In addition, the client is severely impaired in significant life areas and has  
64.7 severe symptoms of emotional, behavioral, or cognitive problems that interfere with the  
64.8 client's participation in treatment activities.

64.9 (5) "4" The client has severe emotional or behavioral symptoms that place the client or  
64.10 others at acute risk of harm. The client also has intrusive thoughts of harming self or others.  
64.11 The client is unable to participate in treatment activities.

64.12 (e) Dimension 4: the vendor must use the criteria in Dimension 4 to determine a client's  
64.13 readiness for change.

64.14 (1) "0" The client admits to problems and is cooperative, motivated, ready to change,  
64.15 committed to change, and engaged in treatment as a responsible participant.

64.16 (2) "1" The client is motivated with active reinforcement to explore treatment and  
64.17 strategies for change but ambivalent about the client's illness or need for change.

64.18 (3) "2" The client displays verbal compliance but lacks consistent behaviors, has low  
64.19 motivation for change, and is passively involved in treatment.

64.20 (4) "3" The client displays inconsistent compliance, has minimal awareness of either  
64.21 the client's addiction or mental disorder, and is minimally cooperative.

64.22 (5) "4" The client is:

64.23 (i) noncompliant with treatment and has no awareness of addiction or mental disorder  
64.24 and does not want or is unwilling to explore change or is in total denial of the client's illness  
64.25 and its implications; or

64.26 (ii) dangerously oppositional to the extent that the client is a threat of imminent harm  
64.27 to self and others.

64.28 (f) Dimension 5: the vendor must use the criteria in Dimension 5 to determine a client's  
64.29 relapse, continued substance use, and continued problem potential.

64.30 (1) "0" The client recognizes risk well and is able to manage potential problems.

64.31 (2) "1" The client recognizes relapse issues and prevention strategies, but displays some  
64.32 vulnerability for further substance use or mental health problems.



65.1 (3) "2" The client has minimal recognition and understanding of relapse and recidivism  
65.2 issues and displays moderate vulnerability for further substance use or mental health  
65.3 problems. The client has some coping skills inconsistently applied.

65.4 (4) "3" The client has poor recognition and understanding of relapse and recidivism  
65.5 issues and displays moderately high vulnerability for further substance use or mental health  
65.6 problems. The client has few coping skills and rarely applies coping skills.

65.7 (5) "4" The client has no coping skills to arrest mental health or addiction illnesses or  
65.8 to prevent relapse. The client has no recognition or understanding of relapse and recidivism  
65.9 issues and displays high vulnerability for further substance use or mental health problems.

65.10 (g) Dimension 6: the vendor must use the criteria in Dimension 6 to determine a client's  
65.11 recovery environment.

65.12 (1) "0" The client is engaged in structured, meaningful activity and has a supportive  
65.13 significant other, family, and living environment.

65.14 (2) "1" The client has passive social network support or the client's family and significant  
65.15 other are not interested in the client's recovery. The client is engaged in structured, meaningful  
65.16 activity.

65.17 (3) "2" The client is engaged in structured, meaningful activity, but the client's peers,  
65.18 family, significant other, and living environment are unsupportive, or there is criminal  
65.19 justice system involvement by the client or among the client's peers or significant other or  
65.20 in the client's living environment.

65.21 (4) "3" The client is not engaged in structured, meaningful activity and the client's peers,  
65.22 family, significant other, and living environment are unsupportive, or there is significant  
65.23 criminal justice system involvement.

65.24 (5) "4" The client has:

65.25 (i) a chronically antagonistic significant other, living environment, family, or peer group  
65.26 or long-term criminal justice system involvement that is harmful to the client's recovery or  
65.27 treatment progress; or

65.28 (ii) an actively antagonistic significant other, family, work, or living environment, with  
65.29 an immediate threat to the client's safety and well-being.

65.30 **EFFECTIVE DATE.** This section is effective July 1, 2022.

66.1 Sec. 42. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision  
66.2 to read:

66.3 Subd. 5. **Scope and applicability.** This section governs administration of the behavioral  
66.4 health fund, establishes the criteria to be applied by local agencies to determine a client's  
66.5 financial eligibility under the behavioral health fund, and determines a client's obligation  
66.6 to pay for substance use disorder treatment services.

66.7 **EFFECTIVE DATE.** This section is effective July 1, 2022.

66.8 Sec. 43. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision  
66.9 to read:

66.10 Subd. 6. **Local agency responsibility to provide services.** The local agency may employ  
66.11 individuals to conduct administrative activities and facilitate access to substance use disorder  
66.12 treatment services.

66.13 **EFFECTIVE DATE.** This section is effective July 1, 2022.

66.14 Sec. 44. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision  
66.15 to read:

66.16 Subd. 7. **Local agency to determine client financial eligibility.** (a) The local agency  
66.17 shall determine a client's financial eligibility for the behavioral health fund according to  
66.18 subdivision 1 with the income calculated prospectively for one year from the date of  
66.19 comprehensive assessment. The local agency shall pay for eligible clients according to  
66.20 chapter 256G. The local agency shall enter the financial eligibility span within ten calendar  
66.21 days of request. Client eligibility must be determined using forms prescribed by the  
66.22 commissioner. The local agency must determine a client's eligibility as follows:

66.23 (1) The local agency must determine the client's income. A client who is a minor child  
66.24 must not be deemed to have income available to pay for substance use disorder treatment,  
66.25 unless the minor child is responsible for payment under section 144.347 for substance use  
66.26 disorder treatment services sought under section 144.343, subdivision 1.

66.27 (2) The local agency must determine the client's household size according to the  
66.28 following:

66.29 (i) If the client is a minor child, the household size includes the following persons living  
66.30 in the same dwelling unit:

66.31 (A) the client;

67.1 (B) the client's birth or adoptive parents; and

67.2 (C) the client's siblings who are minors.

67.3 (ii) If the client is an adult, the household size includes the following persons living in  
67.4 the same dwelling unit:

67.5 (A) the client;

67.6 (B) the client's spouse;

67.7 (C) the client's minor children; and

67.8 (D) the client's spouse's minor children.

67.9 (iii) Household size includes a person listed in items (i) and (ii) who is in out-of-home  
67.10 placement if a person listed in item (i) or (ii) is contributing to the cost of care of the person  
67.11 in out-of-home placement.

67.12 (3) The local agency must determine the client's current prepaid health plan enrollment  
67.13 and the availability of a third-party payment source, including the availability of total or  
67.14 partial payment and the amount of co-payment.

67.15 (4) The local agency must provide the required eligibility information to the commissioner  
67.16 in the manner specified by the commissioner.

67.17 (5) The local agency must require the client and policyholder to conditionally assign to  
67.18 the department the client's and policyholder's rights and the rights of minor children to  
67.19 benefits or services provided to the client if the commissioner is required to collect from a  
67.20 third-party payment source.

67.21 (b) The local agency must redetermine a client's eligibility for the behavioral health fund  
67.22 every 12 months.

67.23 (c) A client, responsible relative, and policyholder must provide income or wage  
67.24 verification and household size verification under paragraph (a), clause (3), and must make  
67.25 an assignment of third-party payment rights under paragraph (a), clause (5). If a client,  
67.26 responsible relative, or policyholder does not comply with this subdivision, the client is  
67.27 ineligible for behavioral health fund payment for substance use disorder treatment, and the  
67.28 client and responsible relative are obligated to pay the full cost of substance use disorder  
67.29 treatment services provided to the client.

67.30 **EFFECTIVE DATE.** This section is effective July 1, 2022.

68.1 Sec. 45. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision  
68.2 to read:

68.3 Subd. 8. **Client fees.** A client whose household income is within current household size  
68.4 and income guidelines for entitled persons as defined in subdivision 1 must pay no fee.

68.5 **EFFECTIVE DATE.** This section is effective July 1, 2022.

68.6 Sec. 46. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision  
68.7 to read:

68.8 Subd. 9. **Vendor must participate in DAANES.** To be eligible for payment under the  
68.9 behavioral health fund, a vendor must participate in DAANES or submit to the commissioner  
68.10 the information required in DAANES in the format specified by the commissioner.

68.11 **EFFECTIVE DATE.** This section is effective July 1, 2022.

68.12 Sec. 47. Minnesota Statutes 2021 Supplement, section 254B.05, subdivision 4, is amended  
68.13 to read:

68.14 Subd. 4. **Regional treatment centers.** Regional treatment center chemical dependency  
68.15 treatment units are eligible vendors. The commissioner may expand the capacity of chemical  
68.16 dependency treatment units beyond the capacity funded by direct legislative appropriation  
68.17 to serve individuals who are referred for treatment by counties and whose treatment will be  
68.18 paid for by funding under this chapter or other funding sources. Notwithstanding the  
68.19 provisions of sections 254B.03 to ~~254B.04~~ 254B.04, payment for any person committed  
68.20 at county request to a regional treatment center under chapter 253B for chemical dependency  
68.21 treatment and determined to be ineligible under the behavioral health fund, shall become  
68.22 the responsibility of the county.

68.23 Sec. 48. Minnesota Statutes 2021 Supplement, section 254B.05, subdivision 5, is amended  
68.24 to read:

68.25 Subd. 5. **Rate requirements.** (a) The commissioner shall establish rates for substance  
68.26 use disorder services and service enhancements funded under this chapter.

68.27 (b) Eligible substance use disorder treatment services include:

68.28 ~~(1) outpatient treatment services that are licensed according to sections 245G.01 to~~  
68.29 ~~245G.17, or applicable tribal license;~~

68.30 (1) outpatient treatment services licensed according to sections 245G.01 to 245G.17, or  
68.31 applicable Tribal license, including:

69.1 (i) ASAM 1.0 Outpatient: zero to eight hours per week of skilled treatment services for  
69.2 adults and zero to five hours per week for adolescents. Peer recovery and treatment  
69.3 coordination may be provided beyond the skilled treatment service hours allowable per  
69.4 week; and

69.5 (ii) ASAM 2.1 Intensive Outpatient: nine or more hours per week of skilled treatment  
69.6 services for adults and six or more hours per week for adolescents in accordance with the  
69.7 limitations in paragraph (h). Peer recovery and treatment coordination may be provided  
69.8 beyond the skilled treatment service hours allowable per week;

69.9 (2) comprehensive assessments provided according to sections 245.4863, paragraph (a),  
69.10 and 245G.05;

69.11 (3) care coordination services provided according to section 245G.07, subdivision 1,  
69.12 paragraph (a), clause (5);

69.13 (4) peer recovery support services provided according to section 245G.07, subdivision  
69.14 2, clause (8);

69.15 (5) on July 1, 2019, or upon federal approval, whichever is later, withdrawal management  
69.16 services provided according to chapter 245F;

69.17 (6) medication-assisted therapy services that are licensed according to sections 245G.01  
69.18 to 245G.17 and 245G.22, or applicable tribal license;

69.19 (7) medication-assisted therapy plus enhanced treatment services that meet the  
69.20 requirements of clause (6) and provide nine hours of clinical services each week;

69.21 (8) high, medium, and low intensity residential treatment services that are licensed  
69.22 according to sections 245G.01 to 245G.17 and 245G.21 or applicable tribal license which  
69.23 provide, respectively, 30, 15, and five hours of clinical services each week;

69.24 (9) hospital-based treatment services that are licensed according to sections 245G.01 to  
69.25 245G.17 or applicable tribal license and licensed as a hospital under sections 144.50 to  
69.26 144.56;

69.27 (10) adolescent treatment programs that are licensed as outpatient treatment programs  
69.28 according to sections 245G.01 to 245G.18 or as residential treatment programs according  
69.29 to Minnesota Rules, parts 2960.0010 to 2960.0220, and 2960.0430 to 2960.0490, or  
69.30 applicable tribal license;

69.31 (11) high-intensity residential treatment services that are licensed according to sections  
69.32 245G.01 to 245G.17 and 245G.21 or applicable tribal license, which provide 30 hours of

70.1 clinical services each week provided by a state-operated vendor or to clients who have been  
70.2 civilly committed to the commissioner, present the most complex and difficult care needs,  
70.3 and are a potential threat to the community; and

70.4 (12) room and board facilities that meet the requirements of subdivision 1a.

70.5 (c) The commissioner shall establish higher rates for programs that meet the requirements  
70.6 of paragraph (b) and one of the following additional requirements:

70.7 (1) programs that serve parents with their children if the program:

70.8 (i) provides on-site child care during the hours of treatment activity that:

70.9 (A) is licensed under chapter 245A as a child care center under Minnesota Rules, chapter  
70.10 9503; or

70.11 (B) meets the licensure exclusion criteria of section 245A.03, subdivision 2, paragraph  
70.12 (a), clause (6), and meets the requirements under section 245G.19, subdivision 4; or

70.13 (ii) arranges for off-site child care during hours of treatment activity at a facility that is  
70.14 licensed under chapter 245A as:

70.15 (A) a child care center under Minnesota Rules, chapter 9503; or

70.16 (B) a family child care home under Minnesota Rules, chapter 9502;

70.17 (2) culturally specific or culturally responsive programs as defined in section 254B.01,  
70.18 subdivision 4a;

70.19 (3) disability responsive programs as defined in section 254B.01, subdivision 4b;

70.20 (4) programs that offer medical services delivered by appropriately credentialed health  
70.21 care staff in an amount equal to two hours per client per week if the medical needs of the  
70.22 client and the nature and provision of any medical services provided are documented in the  
70.23 client file; or

70.24 (5) programs that offer services to individuals with co-occurring mental health and  
70.25 chemical dependency problems if:

70.26 (i) the program meets the co-occurring requirements in section 245G.20;

70.27 (ii) 25 percent of the counseling staff are licensed mental health professionals, as defined  
70.28 in section 245.462, subdivision 18, clauses (1) to (6), or are students or licensing candidates  
70.29 under the supervision of a licensed alcohol and drug counselor supervisor and licensed  
70.30 mental health professional, except that no more than 50 percent of the mental health staff

71.1 may be students or licensing candidates with time documented to be directly related to  
71.2 provisions of co-occurring services;

71.3 (iii) clients scoring positive on a standardized mental health screen receive a mental  
71.4 health diagnostic assessment within ten days of admission;

71.5 (iv) the program has standards for multidisciplinary case review that include a monthly  
71.6 review for each client that, at a minimum, includes a licensed mental health professional  
71.7 and licensed alcohol and drug counselor, and their involvement in the review is documented;

71.8 (v) family education is offered that addresses mental health and substance abuse disorders  
71.9 and the interaction between the two; and

71.10 (vi) co-occurring counseling staff shall receive eight hours of co-occurring disorder  
71.11 training annually.

71.12 (d) In order to be eligible for a higher rate under paragraph (c), clause (1), a program  
71.13 that provides arrangements for off-site child care must maintain current documentation at  
71.14 the chemical dependency facility of the child care provider's current licensure to provide  
71.15 child care services. Programs that provide child care according to paragraph (c), clause (1),  
71.16 must be deemed in compliance with the licensing requirements in section 245G.19.

71.17 (e) Adolescent residential programs that meet the requirements of Minnesota Rules,  
71.18 parts 2960.0430 to 2960.0490 and 2960.0580 to 2960.0690, are exempt from the requirements  
71.19 in paragraph (c), clause (4), items (i) to (iv).

71.20 (f) Subject to federal approval, substance use disorder services that are otherwise covered  
71.21 as direct face-to-face services may be provided via telehealth as defined in section 256B.0625,  
71.22 subdivision 3b. The use of telehealth to deliver services must be medically appropriate to  
71.23 the condition and needs of the person being served. Reimbursement shall be at the same  
71.24 rates and under the same conditions that would otherwise apply to direct face-to-face services.

71.25 (g) For the purpose of reimbursement under this section, substance use disorder treatment  
71.26 services provided in a group setting without a group participant maximum or maximum  
71.27 client to staff ratio under chapter 245G shall not exceed a client to staff ratio of 48 to one.  
71.28 At least one of the attending staff must meet the qualifications as established under this  
71.29 chapter for the type of treatment service provided. A recovery peer may not be included as  
71.30 part of the staff ratio.

71.31 (h) Payment for outpatient substance use disorder services that are licensed according  
71.32 to sections 245G.01 to 245G.17 is limited to six hours per day or 30 hours per week unless  
71.33 prior authorization of a greater number of hours is obtained from the commissioner.

72.1 **EFFECTIVE DATE.** This section is effective July 1, 2022, or upon federal approval,  
72.2 whichever is later. The commissioner of human services shall notify the revisor of statutes  
72.3 when federal approval is obtained.

72.4 Sec. 49. Minnesota Statutes 2020, section 256.042, subdivision 1, is amended to read:

72.5 Subdivision 1. **Establishment of the advisory council.** (a) The Opiate Epidemic  
72.6 Response Advisory Council is established to develop and implement a comprehensive and  
72.7 effective statewide effort to address the opioid addiction and overdose epidemic in Minnesota.  
72.8 The council shall focus on:

72.9 (1) prevention and education, including public education and awareness for adults and  
72.10 youth, prescriber education, the development and sustainability of opioid overdose prevention  
72.11 and education programs, the role of adult protective services in prevention and response,  
72.12 and providing financial support to local law enforcement agencies for opiate antagonist  
72.13 programs;

72.14 (2) training on the treatment of opioid addiction, including the use of all Food and Drug  
72.15 Administration approved opioid addiction medications, detoxification, relapse prevention,  
72.16 patient assessment, individual treatment planning, counseling, recovery supports, diversion  
72.17 control, and other best practices;

72.18 (3) the expansion and enhancement of a continuum of care for opioid-related substance  
72.19 use disorders, including primary prevention, early intervention, treatment, recovery, and  
72.20 aftercare services; and

72.21 (4) the development of measures to assess and protect the ability of cancer patients and  
72.22 survivors, persons battling life-threatening illnesses, persons suffering from severe chronic  
72.23 pain, and persons at the end stages of life, who legitimately need prescription pain  
72.24 medications, to maintain their quality of life by accessing these pain medications without  
72.25 facing unnecessary barriers. The measures must also address the needs of individuals  
72.26 described in this clause who are elderly or who reside in underserved or rural areas of the  
72.27 state.

72.28 (b) The council shall:

72.29 (1) review local, state, and federal initiatives and activities related to education,  
72.30 prevention, treatment, and services for individuals and families experiencing and affected  
72.31 by opioid use disorder;

72.32 (2) establish priorities to address the state's opioid epidemic, for the purpose of  
72.33 recommending initiatives to fund;



73.1 (3) recommend to the commissioner of human services specific projects and initiatives  
73.2 to be funded;

73.3 (4) ensure that available funding is allocated to align with other state and federal funding,  
73.4 to achieve the greatest impact and ensure a coordinated state effort;

73.5 (5) consult with the commissioners of human services, health, and management and  
73.6 budget to develop measurable outcomes to determine the effectiveness of funds allocated;  
73.7 ~~and~~

73.8 (6) develop recommendations for an administrative and organizational framework for  
73.9 the allocation, on a sustainable and ongoing basis, of any money deposited into the separate  
73.10 account under section 16A.151, subdivision 2, paragraph (f), in order to address the opioid  
73.11 abuse and overdose epidemic in Minnesota and the areas of focus specified in paragraph  
73.12 (a); and

73.13 (7) review reports, data, and performance measures submitted by municipalities, as  
73.14 defined in section 466.01, subdivision 1, in receipt of direct payments from settlement  
73.15 agreements, as described in section 256.043, subdivision 4.

73.16 (c) The council, in consultation with the commissioner of management and budget, and  
73.17 within available appropriations, shall select from the awarded grants projects or municipality  
73.18 projects funded by settlement monies as described in section 256.043, subdivision 4, that  
73.19 include promising practices or theory-based activities for which the commissioner of  
73.20 management and budget shall conduct evaluations using experimental or quasi-experimental  
73.21 design. Grants awarded to proposals or municipality projects funded by settlement monies  
73.22 that include promising practices or theory-based activities and that are selected for an  
73.23 evaluation shall be administered to support the experimental or quasi-experimental evaluation  
73.24 and require grantees and municipality projects to collect and report information that is  
73.25 needed to complete the evaluation. The commissioner of management and budget, under  
73.26 section 15.08, may obtain additional relevant data to support the experimental or  
73.27 quasi-experimental evaluation studies. For the purposes of this paragraph, "municipality"  
73.28 has the meaning given in section 466.01, subdivision 1.

73.29 (d) The council, in consultation with the commissioners of human services, health, public  
73.30 safety, and management and budget, shall establish goals related to addressing the opioid  
73.31 epidemic and determine a baseline against which progress shall be monitored and set  
73.32 measurable outcomes, including benchmarks. The goals established must include goals for  
73.33 prevention and public health, access to treatment, and multigenerational impacts. The council  
73.34 shall use existing measures and data collection systems to determine baseline data against

74.1 which progress shall be measured. The council shall include the proposed goals, the  
74.2 measurable outcomes, and proposed benchmarks to meet these goals in its initial report to  
74.3 the legislature under subdivision 5, paragraph (a), due January 31, 2021.

74.4 Sec. 50. Minnesota Statutes 2020, section 256.042, subdivision 2, is amended to read:

74.5 Subd. 2. **Membership.** (a) The council shall consist of the following ~~19~~ 28 voting  
74.6 members, appointed by the commissioner of human services except as otherwise specified,  
74.7 and three nonvoting members:

74.8 (1) two members of the house of representatives, appointed in the following sequence:  
74.9 the first from the majority party appointed by the speaker of the house and the second from  
74.10 the minority party appointed by the minority leader. Of these two members, one member  
74.11 must represent a district outside of the seven-county metropolitan area, and one member  
74.12 must represent a district that includes the seven-county metropolitan area. The appointment  
74.13 by the minority leader must ensure that this requirement for geographic diversity in  
74.14 appointments is met;

74.15 (2) two members of the senate, appointed in the following sequence: the first from the  
74.16 majority party appointed by the senate majority leader and the second from the minority  
74.17 party appointed by the senate minority leader. Of these two members, one member must  
74.18 represent a district outside of the seven-county metropolitan area and one member must  
74.19 represent a district that includes the seven-county metropolitan area. The appointment by  
74.20 the minority leader must ensure that this requirement for geographic diversity in appointments  
74.21 is met;

74.22 (3) one member appointed by the Board of Pharmacy;

74.23 (4) one member who is a physician appointed by the Minnesota Medical Association;

74.24 (5) one member representing opioid treatment programs, sober living programs, or  
74.25 substance use disorder programs licensed under chapter 245G;

74.26 (6) one member appointed by the Minnesota Society of Addiction Medicine who is an  
74.27 addiction psychiatrist;

74.28 (7) one member representing professionals providing alternative pain management  
74.29 therapies, including, but not limited to, acupuncture, chiropractic, or massage therapy;

74.30 (8) one member representing nonprofit organizations conducting initiatives to address  
74.31 the opioid epidemic, with the commissioner's initial appointment being a member

75.1 representing the Steve Rummeler Hope Network, and subsequent appointments representing  
75.2 this or other organizations;

75.3 (9) one member appointed by the Minnesota Ambulance Association who is serving  
75.4 with an ambulance service as an emergency medical technician, advanced emergency  
75.5 medical technician, or paramedic;

75.6 (10) one member representing the Minnesota courts who is a judge or law enforcement  
75.7 officer;

75.8 (11) one public member who is a Minnesota resident and who is in opioid addiction  
75.9 recovery;

75.10 (12) ~~two~~ 11 members representing Indian tribes, one representing ~~the Ojibwe tribes and~~  
75.11 ~~one representing the Dakota tribes~~ each of Minnesota's Tribal Nations;

75.12 (13) one public member who is a Minnesota resident and who is suffering from chronic  
75.13 pain, intractable pain, or a rare disease or condition;

75.14 (14) one mental health advocate representing persons with mental illness;

75.15 (15) one member appointed by the Minnesota Hospital Association;

75.16 (16) one member representing a local health department; and

75.17 (17) the commissioners of human services, health, and corrections, or their designees,  
75.18 who shall be ex officio nonvoting members of the council.

75.19 (b) The commissioner of human services shall coordinate the commissioner's  
75.20 appointments to provide geographic, racial, and gender diversity, and shall ensure that at  
75.21 least one-half of council members appointed by the commissioner reside outside of the  
75.22 seven-county metropolitan area. Of the members appointed by the commissioner, to the  
75.23 extent practicable, at least one member must represent a community of color  
75.24 disproportionately affected by the opioid epidemic.

75.25 (c) The council is governed by section 15.059, except that members of the council shall  
75.26 serve three-year terms and shall receive no compensation other than reimbursement for  
75.27 expenses. Notwithstanding section 15.059, subdivision 6, the council shall not expire.

75.28 (d) The chair shall convene the council at least quarterly, and may convene other meetings  
75.29 as necessary. The chair shall convene meetings at different locations in the state to provide  
75.30 geographic access, and shall ensure that at least one-half of the meetings are held at locations  
75.31 outside of the seven-county metropolitan area.

76.1 (e) The commissioner of human services shall provide staff and administrative services  
76.2 for the advisory council.

76.3 (f) The council is subject to chapter 13D.

76.4 Sec. 51. Minnesota Statutes 2021 Supplement, section 256.042, subdivision 4, is amended  
76.5 to read:

76.6 Subd. 4. **Grants.** (a) The commissioner of human services shall submit a report of the  
76.7 grants proposed by the advisory council to be awarded for the upcoming calendar year to  
76.8 the chairs and ranking minority members of the legislative committees with jurisdiction  
76.9 over health and human services policy and finance, by December 1 of each year, beginning  
76.10 March 1, 2020.

76.11 (b) The grants shall be awarded to proposals selected by the advisory council that address  
76.12 the priorities in subdivision 1, paragraph (a), clauses (1) to (4), unless otherwise appropriated  
76.13 by the legislature. The advisory council shall determine grant awards and funding amounts  
76.14 based on the funds appropriated to the commissioner under section 256.043, subdivision 3,  
76.15 paragraph (e). The commissioner shall award the grants from the opiate epidemic response  
76.16 fund and administer the grants in compliance with section 16B.97. No more than ten percent  
76.17 of the grant amount may be used by a grantee for administration. The commissioner must  
76.18 award at least 40 percent of grants to projects that include a focus on addressing the opiate  
76.19 crisis in Black and Indigenous communities and communities of color.

76.20 Sec. 52. Minnesota Statutes 2020, section 256.042, subdivision 5, is amended to read:

76.21 Subd. 5. **Reports.** (a) The advisory council shall report annually to the chairs and ranking  
76.22 minority members of the legislative committees with jurisdiction over health and human  
76.23 services policy and finance by January 31 of each year, ~~beginning January 31, 2021~~. The  
76.24 report shall include information about the individual projects that receive grants, the  
76.25 municipality projects funded by settlement monies as described in section 256.043,  
76.26 subdivision 4, and the overall role of the ~~project~~ projects in addressing the opioid addiction  
76.27 and overdose epidemic in Minnesota. The report must describe the grantees and the activities  
76.28 implemented, along with measurable outcomes as determined by the council in consultation  
76.29 with the commissioner of human services and the commissioner of management and budget.  
76.30 At a minimum, the report must include information about the number of individuals who  
76.31 received information or treatment, the outcomes the individuals achieved, and demographic  
76.32 information about the individuals participating in the project; an assessment of the progress  
76.33 toward achieving statewide access to qualified providers and comprehensive treatment and

77.1 recovery services; and an update on the evaluations implemented by the commissioner of  
77.2 management and budget for the promising practices and theory-based projects that receive  
77.3 funding.

77.4 (b) The commissioner of management and budget, in consultation with the Opiate  
77.5 Epidemic Response Advisory Council, shall report to the chairs and ranking minority  
77.6 members of the legislative committees with jurisdiction over health and human services  
77.7 policy and finance when an evaluation study described in subdivision 1, paragraph (c), is  
77.8 complete on the promising practices or theory-based projects that are selected for evaluation  
77.9 activities. The report shall include demographic information; outcome information for the  
77.10 individuals in the program; the results for the program in promoting recovery, employment,  
77.11 family reunification, and reducing involvement with the criminal justice system; and other  
77.12 relevant outcomes determined by the commissioner of management and budget that are  
77.13 specific to the projects that are evaluated. The report shall include information about the  
77.14 ability of grant programs to be scaled to achieve the statewide results that the grant project  
77.15 demonstrated.

77.16 (c) The advisory council, in its annual report to the legislature under paragraph (a) due  
77.17 by January 31, 2024, shall include recommendations on whether the appropriations to the  
77.18 specified entities under Laws 2019, chapter 63, should be continued, adjusted, or  
77.19 discontinued; whether funding should be appropriated for other purposes related to opioid  
77.20 abuse prevention, education, and treatment; and on the appropriate level of funding for  
77.21 existing and new uses.

77.22 (d) Municipalities receiving direct payments for settlement agreements as described in  
77.23 section 256.043, subdivision 4, must annually report to the commissioner on how the funds  
77.24 were used on opioid remediation. The report must be submitted in a format prescribed by  
77.25 the commissioner. The report must include data and measurable outcomes as identified by  
77.26 the commissioner. The report must include the percent of total funds invested in addressing  
77.27 disparate outcomes in Black and Indigenous communities and communities of color and  
77.28 relevant outcomes reported on a longitudinal basis.

77.29 (e) For the purposes of this subdivision, "municipality" or "municipalities" has the  
77.30 meaning given in section 466.01, subdivision 1.

77.31 Sec. 53. Minnesota Statutes 2020, section 256B.0941, is amended by adding a subdivision  
77.32 to read:

77.33 Subd. 5. **Start-up grants.** Start-up grants to prospective psychiatric residential treatment  
77.34 facility sites may be used for:

- 78.1 (1) administrative expenses;  
78.2 (2) consulting services;  
78.3 (3) Health Insurance Portability and Accountability Act of 1996 compliance;  
78.4 (4) therapeutic resources including evidence-based, culturally appropriate curriculums,  
78.5 and training programs for staff and clients;  
78.6 (5) allowable physical renovations to the property; and  
78.7 (6) emergency workforce shortage uses, as determined by the commissioner.

78.8 Sec. 54. Minnesota Statutes 2021 Supplement, section 256B.0946, subdivision 1, is  
78.9 amended to read:

78.10 Subdivision 1. **Required covered service components.** (a) Subject to federal approval,  
78.11 medical assistance covers medically necessary intensive treatment services when the services  
78.12 are provided by a provider entity certified under and meeting the standards in this section.  
78.13 The provider entity must make reasonable and good faith efforts to report individual client  
78.14 outcomes to the commissioner, using instruments and protocols approved by the  
78.15 commissioner.

78.16 (b) Intensive treatment services to children with mental illness residing in foster family  
78.17 settings or with legal guardians that comprise specific required service components provided  
78.18 in clauses (1) to (6) are reimbursed by medical assistance when they meet the following  
78.19 standards:

- 78.20 (1) psychotherapy provided by a mental health professional or a clinical trainee;  
78.21 (2) crisis planning;  
78.22 (3) individual, family, and group psychoeducation services provided by a mental health  
78.23 professional or a clinical trainee;  
78.24 (4) clinical care consultation provided by a mental health professional or a clinical  
78.25 trainee;  
78.26 (5) individual treatment plan development as defined in Minnesota Rules, part 9505.0371,  
78.27 subpart 7; and  
78.28 (6) service delivery payment requirements as provided under subdivision 4.

78.29 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,  
78.30 whichever is later. The commissioner of human services shall notify the revisor of statutes  
78.31 when federal approval is obtained.

79.1 Sec. 55. Minnesota Statutes 2021 Supplement, section 256B.0946, subdivision 1a, is  
79.2 amended to read:

79.3 Subd. 1a. **Definitions.** For the purposes of this section, the following terms have the  
79.4 meanings given them.

79.5 (a) "At risk of out-of-home placement" means the child has participated in  
79.6 community-based therapeutic or behavioral services including psychotherapy within the  
79.7 past 30 days and has experienced severe difficulty in managing mental health and behavior  
79.8 in multiple settings and:

79.9 (1) has previously been in out-of-home placement for mental health issues within the  
79.10 past six months;

79.11 (2) has a history of threatening harm to self or others and has actively engaged in  
79.12 self-harming or threatening behavior in the past 30 days;

79.13 (3) demonstrates extremely inappropriate or dangerous social behavior in home,  
79.14 community, and school settings;

79.15 (4) has a history of repeated intervention from mental health programs, social services,  
79.16 mobile crisis programs, or law enforcement to maintain safety in the home, community, or  
79.17 school within the past 60 days; or

79.18 (5) whose parent is unable to safely manage the child's mental health, behavioral, or  
79.19 emotional problems in the home and has been actively seeking placement for at least two  
79.20 weeks.

79.21 ~~(a)~~ (b) "Clinical care consultation" means communication from a treating clinician to  
79.22 other providers working with the same client to inform, inquire, and instruct regarding the  
79.23 client's symptoms, strategies for effective engagement, care and intervention needs, and  
79.24 treatment expectations across service settings, including but not limited to the client's school,  
79.25 social services, day care, probation, home, primary care, medication prescribers, disabilities  
79.26 services, and other mental health providers and to direct and coordinate clinical service  
79.27 components provided to the client and family.

79.28 ~~(b)~~ (c) "Clinical trainee" means a staff person who is qualified according to section  
79.29 245I.04, subdivision 6.

79.30 ~~(e)~~ (d) "Crisis planning" has the meaning given in section 245.4871, subdivision 9a.

80.1 ~~(d)~~ (e) "Culturally appropriate" means providing mental health services in a manner that  
80.2 incorporates the child's cultural influences into interventions as a way to maximize resiliency  
80.3 factors and utilize cultural strengths and resources to promote overall wellness.

80.4 ~~(e)~~ (f) "Culture" means the distinct ways of living and understanding the world that are  
80.5 used by a group of people and are transmitted from one generation to another or adopted  
80.6 by an individual.

80.7 ~~(f)~~ (g) "Standard diagnostic assessment" means the assessment described in section  
80.8 245I.10, subdivision 6.

80.9 ~~(g)~~ (h) "Family" means a person who is identified by the client or the client's parent or  
80.10 guardian as being important to the client's mental health treatment. Family may include,  
80.11 but is not limited to, parents, foster parents, children, spouse, committed partners, former  
80.12 spouses, persons related by blood or adoption, persons who are a part of the client's  
80.13 permanency plan, or persons who are presently residing together as a family unit.

80.14 ~~(h)~~ (i) "Foster care" has the meaning given in section 260C.007, subdivision 18.

80.15 ~~(i)~~ (j) "Foster family setting" means the foster home in which the license holder resides.

80.16 ~~(j)~~ (k) "Individual treatment plan" means the plan described in section 245I.10,  
80.17 subdivisions 7 and 8.

80.18 ~~(k)~~ (l) "Mental health certified family peer specialist" means a staff person who is  
80.19 qualified according to section 245I.04, subdivision 12.

80.20 ~~(l)~~ (m) "Mental health professional" means a staff person who is qualified according to  
80.21 section 245I.04, subdivision 2.

80.22 ~~(m)~~ (n) "Mental illness" has the meaning given in section 245I.02, subdivision 29.

80.23 ~~(n)~~ (o) "Parent" has the meaning given in section 260C.007, subdivision 25.

80.24 ~~(o)~~ (p) "Psychoeducation services" means information or demonstration provided to an  
80.25 individual, family, or group to explain, educate, and support the individual, family, or group  
80.26 in understanding a child's symptoms of mental illness, the impact on the child's development,  
80.27 and needed components of treatment and skill development so that the individual, family,  
80.28 or group can help the child to prevent relapse, prevent the acquisition of comorbid disorders,  
80.29 and achieve optimal mental health and long-term resilience.

80.30 ~~(p)~~ (q) "Psychotherapy" means the treatment described in section 256B.0671, subdivision  
80.31 11.



81.1 ~~(q)~~ (r) "Team consultation and treatment planning" means the coordination of treatment  
81.2 plans and consultation among providers in a group concerning the treatment needs of the  
81.3 child, including disseminating the child's treatment service schedule to all members of the  
81.4 service team. Team members must include all mental health professionals working with the  
81.5 child, a parent, the child unless the team lead or parent deem it clinically inappropriate, and  
81.6 at least two of the following: an individualized education program case manager; probation  
81.7 agent; children's mental health case manager; child welfare worker, including adoption or  
81.8 guardianship worker; primary care provider; foster parent; and any other member of the  
81.9 child's service team.

81.10 ~~(r)~~ (s) "Trauma" has the meaning given in section 245I.02, subdivision 38.

81.11 ~~(s)~~ (t) "Treatment supervision" means the supervision described under section 245I.06.

81.12 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,  
81.13 whichever is later. The commissioner of human services shall notify the revisor of statutes  
81.14 when federal approval is obtained.

81.15 Sec. 56. Minnesota Statutes 2021 Supplement, section 256B.0946, subdivision 2, is  
81.16 amended to read:

81.17 Subd. 2. **Determination of client eligibility.** An eligible recipient is an individual, from  
81.18 birth through age 20, who is currently placed in a foster home licensed under Minnesota  
81.19 Rules, parts 2960.3000 to 2960.3340, or placed in a foster home licensed under the  
81.20 regulations established by a federally recognized Minnesota Tribe, or who is residing in the  
81.21 legal guardian's home and is at risk of out-of-home placement, and has received: (1) a  
81.22 standard diagnostic assessment within 180 days before the start of service that documents  
81.23 that intensive treatment services are medically necessary within a foster family setting to  
81.24 ameliorate identified symptoms and functional impairments; and (2) a level of care  
81.25 assessment as defined in section 245I.02, subdivision 19, that demonstrates that the individual  
81.26 requires intensive intervention without 24-hour medical monitoring, and a functional  
81.27 assessment as defined in section 245I.02, subdivision 17. The level of care assessment and  
81.28 the functional assessment must include information gathered from the placing county, Tribe,  
81.29 or case manager.

81.30 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,  
81.31 whichever is later. The commissioner of human services shall notify the revisor of statutes  
81.32 when federal approval is obtained.

82.1 Sec. 57. Minnesota Statutes 2021 Supplement, section 256B.0946, subdivision 3, is  
82.2 amended to read:

82.3 Subd. 3. **Eligible mental health services providers.** (a) Eligible providers for intensive  
82.4 children's mental health services ~~in a foster family setting~~ must be certified by the state ~~and~~  
82.5 ~~have a service provision contract with a county board or a reservation tribal council~~ and  
82.6 must be able to demonstrate the ability to provide all of the services required in this section  
82.7 and meet the standards in chapter 245I, as required in section 245I.011, subdivision 5.

82.8 (b) For purposes of this section, a provider agency must be:

82.9 (1) a county-operated entity certified by the state;

82.10 (2) an Indian Health Services facility operated by a Tribe or Tribal organization under  
82.11 funding authorized by United States Code, title 25, sections 450f to 450n, or title 3 of the  
82.12 Indian Self-Determination Act, Public Law 93-638, section 638 (facilities or providers); or

82.13 (3) a noncounty entity.

82.14 (c) Certified providers that do not meet the service delivery standards required in this  
82.15 section shall be subject to a decertification process.

82.16 (d) For the purposes of this section, all services delivered to a client must be provided  
82.17 by a mental health professional or a clinical trainee.

82.18 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,  
82.19 whichever is later. The commissioner of human services shall notify the revisor of statutes  
82.20 when federal approval is obtained.

82.21 Sec. 58. Minnesota Statutes 2021 Supplement, section 256B.0946, subdivision 4, is  
82.22 amended to read:

82.23 Subd. 4. **Service delivery payment requirements.** (a) To be eligible for payment under  
82.24 this section, a provider must develop and practice written policies and procedures for  
82.25 intensive treatment ~~in foster care~~ for children, consistent with subdivision 1, paragraph (b),  
82.26 and comply with the following requirements in paragraphs (b) to (n).

82.27 (b) Each previous and current mental health, school, and physical health treatment  
82.28 provider must be contacted to request documentation of treatment and assessments that the  
82.29 eligible client has received. This information must be reviewed and incorporated into the  
82.30 standard diagnostic assessment and team consultation and treatment planning review process.

83.1 (c) Each client receiving treatment must be assessed for a trauma history, and the client's  
83.2 treatment plan must document how the results of the assessment will be incorporated into  
83.3 treatment.

83.4 (d) The level of care assessment as defined in section 245I.02, subdivision 19, and  
83.5 functional assessment as defined in section 245I.02, subdivision 17, must be updated at  
83.6 least every 90 days or prior to discharge from the service, whichever comes first.

83.7 (e) Each client receiving treatment services must have an individual treatment plan that  
83.8 is reviewed, evaluated, and approved every 90 days using the team consultation and treatment  
83.9 planning process.

83.10 (f) Clinical care consultation must be provided in accordance with the client's individual  
83.11 treatment plan.

83.12 (g) Each client must have a crisis plan within ten days of initiating services and must  
83.13 have access to clinical phone support 24 hours per day, seven days per week, during the  
83.14 course of treatment. The crisis plan must demonstrate coordination with the local or regional  
83.15 mobile crisis intervention team.

83.16 (h) Services must be delivered and documented at least three days per week, equaling  
83.17 at least six hours of treatment per week. If the mental health professional, client, and family  
83.18 agree, service units may be temporarily reduced for a period of no more than 60 days in  
83.19 order to meet the needs of the client and family, or as part of transition or on a discharge  
83.20 plan to another service or level of care. The reasons for service reduction must be identified,  
83.21 documented, and included in the treatment plan. Billing and payment are prohibited for  
83.22 days on which no services are delivered and documented.

83.23 (i) Location of service delivery must be in the client's home, day care setting, school, or  
83.24 other community-based setting that is specified on the client's individualized treatment plan.

83.25 (j) Treatment must be developmentally and culturally appropriate for the client.

83.26 (k) Services must be delivered in continual collaboration and consultation with the  
83.27 client's medical providers and, in particular, with prescribers of psychotropic medications,  
83.28 including those prescribed on an off-label basis. Members of the service team must be aware  
83.29 of the medication regimen and potential side effects.

83.30 (l) Parents, siblings, foster parents, legal guardians, and members of the child's  
83.31 permanency plan must be involved in treatment and service delivery unless otherwise noted  
83.32 in the treatment plan.

84.1 (m) Transition planning for ~~the~~ a child in foster care must be conducted starting with  
 84.2 the first treatment plan and must be addressed throughout treatment to support the child's  
 84.3 permanency plan and postdischarge mental health service needs.

84.4 (n) In order for a provider to receive the daily per-client encounter rate, at least one of  
 84.5 the services listed in subdivision 1, paragraph (b), clauses (1) to (3), must be provided. The  
 84.6 services listed in subdivision 1, paragraph (b), clauses (4) and (5), may be included as part  
 84.7 of the daily per-client encounter rate.

84.8 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,  
 84.9 whichever is later. The commissioner of human services shall notify the revisor of statutes  
 84.10 when federal approval is obtained.

84.11 Sec. 59. Minnesota Statutes 2021 Supplement, section 256B.0946, subdivision 6, is  
 84.12 amended to read:

84.13 Subd. 6. **Excluded services.** (a) Services in clauses (1) to (7) are not covered under this  
 84.14 section and are not eligible for medical assistance payment as components of children's  
 84.15 intensive ~~treatment in foster care~~ behavioral health services, but may be billed separately:

84.16 (1) inpatient psychiatric hospital treatment;

84.17 (2) mental health targeted case management;

84.18 (3) partial hospitalization;

84.19 (4) medication management;

84.20 (5) children's mental health day treatment services;

84.21 (6) crisis response services under section 256B.0624;

84.22 (7) transportation; and

84.23 (8) mental health certified family peer specialist services under section 256B.0616.

84.24 (b) Children receiving intensive ~~treatment in foster care~~ behavioral health services are  
 84.25 not eligible for medical assistance reimbursement for the following services while receiving  
 84.26 children's intensive ~~treatment in foster care~~ behavioral health services:

84.27 (1) psychotherapy and skills training components of children's therapeutic services and  
 84.28 supports under section 256B.0943;

84.29 (2) mental health behavioral aide services as defined in section 256B.0943, subdivision  
 84.30 1, paragraph (l);

85.1 (3) home and community-based waiver services;

85.2 (4) mental health residential treatment; and

85.3 (5) room and board costs as defined in section 256I.03, subdivision 6.

85.4 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,  
 85.5 whichever is later. The commissioner of human services shall notify the revisor of statutes  
 85.6 when federal approval is obtained.

85.7 Sec. 60. Minnesota Statutes 2020, section 256B.0946, subdivision 7, is amended to read:

85.8 Subd. 7. **Medical assistance payment and rate setting.** The commissioner shall establish  
 85.9 a single daily per-client encounter rate for children's intensive treatment in foster care  
 85.10 behavioral health services. The rate must be constructed to cover only eligible services  
 85.11 delivered to an eligible recipient by an eligible provider, as prescribed in subdivision 1,  
 85.12 paragraph (b).

85.13 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,  
 85.14 whichever is later. The commissioner of human services shall notify the revisor of statutes  
 85.15 when federal approval is obtained.

85.16 Sec. 61. Minnesota Statutes 2020, section 256B.0949, subdivision 15, is amended to read:

85.17 Subd. 15. **EIDBI provider qualifications.** (a) A QSP must be employed by an agency  
 85.18 and be:

85.19 (1) a licensed mental health professional who has at least 2,000 hours of supervised  
 85.20 clinical experience or training in examining or treating people with ASD or a related condition  
 85.21 or equivalent documented coursework at the graduate level by an accredited university in  
 85.22 ASD diagnostics, ASD developmental and behavioral treatment strategies, and typical child  
 85.23 development; or

85.24 (2) a developmental or behavioral pediatrician who has at least 2,000 hours of supervised  
 85.25 clinical experience or training in examining or treating people with ASD or a related condition  
 85.26 or equivalent documented coursework at the graduate level by an accredited university in  
 85.27 the areas of ASD diagnostics, ASD developmental and behavioral treatment strategies, and  
 85.28 typical child development.

85.29 (b) A level I treatment provider must be employed by an agency and:

85.30 (1) have at least 2,000 hours of supervised clinical experience or training in examining  
 85.31 or treating people with ASD or a related condition or equivalent documented coursework

86.1 at the graduate level by an accredited university in ASD diagnostics, ASD developmental  
86.2 and behavioral treatment strategies, and typical child development or an equivalent  
86.3 combination of documented coursework or hours of experience; and

86.4 (2) have or be at least one of the following:

86.5 (i) a master's degree in behavioral health or child development or related fields including,  
86.6 but not limited to, mental health, special education, social work, psychology, speech  
86.7 pathology, or occupational therapy from an accredited college or university;

86.8 (ii) a bachelor's degree in a behavioral health, child development, or related field  
86.9 including, but not limited to, mental health, special education, social work, psychology,  
86.10 speech pathology, or occupational therapy, from an accredited college or university, and  
86.11 advanced certification in a treatment modality recognized by the department;

86.12 (iii) a board-certified behavior analyst; or

86.13 (iv) a board-certified assistant behavior analyst with 4,000 hours of supervised clinical  
86.14 experience that meets all registration, supervision, and continuing education requirements  
86.15 of the certification.

86.16 (c) A level II treatment provider must be employed by an agency and must be:

86.17 (1) a person who has a bachelor's degree from an accredited college or university in a  
86.18 behavioral or child development science or related field including, but not limited to, mental  
86.19 health, special education, social work, psychology, speech pathology, or occupational  
86.20 therapy; and meets at least one of the following:

86.21 (i) has at least 1,000 hours of supervised clinical experience or training in examining or  
86.22 treating people with ASD or a related condition or equivalent documented coursework at  
86.23 the graduate level by an accredited university in ASD diagnostics, ASD developmental and  
86.24 behavioral treatment strategies, and typical child development or a combination of  
86.25 coursework or hours of experience;

86.26 (ii) has certification as a board-certified assistant behavior analyst from the Behavior  
86.27 Analyst Certification Board;

86.28 (iii) is a registered behavior technician as defined by the Behavior Analyst Certification  
86.29 Board; or

86.30 (iv) is certified in one of the other treatment modalities recognized by the department;

86.31 or

86.32 (2) a person who has:

87.1 (i) an associate's degree in a behavioral or child development science or related field  
87.2 including, but not limited to, mental health, special education, social work, psychology,  
87.3 speech pathology, or occupational therapy from an accredited college or university; and

87.4 (ii) at least 2,000 hours of supervised clinical experience in delivering treatment to people  
87.5 with ASD or a related condition. Hours worked as a mental health behavioral aide or level  
87.6 III treatment provider may be included in the required hours of experience; or

87.7 (3) a person who has at least 4,000 hours of supervised clinical experience in delivering  
87.8 treatment to people with ASD or a related condition. Hours worked as a mental health  
87.9 behavioral aide or level III treatment provider may be included in the required hours of  
87.10 experience; or

87.11 (4) a person who is a graduate student in a behavioral science, child development science,  
87.12 or related field and is receiving clinical supervision by a QSP affiliated with an agency to  
87.13 meet the clinical training requirements for experience and training with people with ASD  
87.14 or a related condition; or

87.15 (5) a person who is at least 18 years of age and who:

87.16 (i) is fluent in a non-English language or an individual certified by a Tribal Nation;

87.17 (ii) completed the level III EIDBI training requirements; and

87.18 (iii) receives observation and direction from a QSP or level I treatment provider at least  
87.19 once a week until the person meets 1,000 hours of supervised clinical experience.

87.20 (d) A level III treatment provider must be employed by an agency, have completed the  
87.21 level III training requirement, be at least 18 years of age, and have at least one of the  
87.22 following:

87.23 (1) a high school diploma or commissioner of education-selected high school equivalency  
87.24 certification;

87.25 (2) fluency in a non-English language or certification by a Tribal Nation;

87.26 (3) one year of experience as a primary personal care assistant, community health worker,  
87.27 waiver service provider, or special education assistant to a person with ASD or a related  
87.28 condition within the previous five years; or

87.29 (4) completion of all required EIDBI training within six months of employment.

87.30 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,  
87.31 whichever is later. The commissioner of human services shall notify the revisor of statutes  
87.32 when federal approval is obtained.

88.1 Sec. 62. Minnesota Statutes 2020, section 256D.09, subdivision 2a, is amended to read:

88.2 Subd. 2a. **Vendor payments for drug dependent persons.** If, at the time of application  
88.3 or at any other time, there is a reasonable basis for questioning whether a person applying  
88.4 for or receiving financial assistance is drug dependent, as defined in section 254A.02,  
88.5 subdivision 5, the person shall be referred for a chemical health assessment, and only  
88.6 emergency assistance payments or general assistance vendor payments may be provided  
88.7 until the assessment is complete and the results of the assessment made available to the  
88.8 county agency. A reasonable basis for referring an individual for an assessment exists when:

88.9 (1) the person has required detoxification two or more times in the past 12 months;

88.10 (2) the person appears intoxicated at the county agency as indicated by two or more of  
88.11 the following:

88.12 (i) the odor of alcohol;

88.13 (ii) slurred speech;

88.14 (iii) disconjugate gaze;

88.15 (iv) impaired balance;

88.16 (v) difficulty remaining awake;

88.17 (vi) consumption of alcohol;

88.18 (vii) responding to sights or sounds that are not actually present;

88.19 (viii) extreme restlessness, fast speech, or unusual belligerence;

88.20 (3) the person has been involuntarily committed for drug dependency at least once in  
88.21 the past 12 months; or

88.22 (4) the person has received treatment, including domiciliary care, for drug abuse or  
88.23 dependency at least twice in the past 12 months.

88.24 The assessment and determination of drug dependency, if any, must be made by an  
88.25 assessor qualified under ~~Minnesota Rules, part 9530.6615, subpart 2~~ section 245G.11,  
88.26 subdivisions 1 and 5, to perform an assessment of chemical use. The county shall only  
88.27 provide emergency general assistance or vendor payments to an otherwise eligible applicant  
88.28 or recipient who is determined to be drug dependent, except up to 15 percent of the grant  
88.29 amount the person would otherwise receive may be paid in cash. Notwithstanding subdivision  
88.30 1, the commissioner of human services shall also require county agencies to provide  
88.31 assistance only in the form of vendor payments to all eligible recipients who assert chemical



89.1 dependency as a basis for eligibility under section 256D.05, subdivision 1, paragraph (a),  
89.2 clauses (1) and (5).

89.3 The determination of drug dependency shall be reviewed at least every 12 months. If  
89.4 the county determines a recipient is no longer drug dependent, the county may cease vendor  
89.5 payments and provide the recipient payments in cash.

89.6 Sec. 63. Minnesota Statutes 2021 Supplement, section 256L.03, subdivision 2, is amended  
89.7 to read:

89.8 Subd. 2. **Alcohol and drug dependency.** Beginning July 1, 1993, covered health services  
89.9 shall include individual outpatient treatment of alcohol or drug dependency by a qualified  
89.10 health professional or outpatient program.

89.11 Persons who may need chemical dependency services under the provisions of this chapter  
89.12 ~~shall be assessed by a local agency~~ must be offered access by a local agency to a  
89.13 comprehensive assessment as defined under section ~~254B.04~~ 245G.05, and under the  
89.14 assessment provisions of section 254A.03, subdivision 3. A local agency or managed care  
89.15 plan under contract with the Department of Human Services must ~~place~~ offer services to a  
89.16 person in need of chemical dependency services as provided in Minnesota Rules, parts  
89.17 ~~9530.6600 to 9530.6655~~ based on the recommendations of section 245G.05. Persons who  
89.18 are recipients of medical benefits under the provisions of this chapter and who are financially  
89.19 eligible for behavioral health fund services provided under the provisions of chapter 254B  
89.20 shall receive chemical dependency treatment services under the provisions of chapter 254B  
89.21 only if:

89.22 (1) they have exhausted the chemical dependency benefits offered under this chapter;  
89.23 or

89.24 (2) an assessment indicates that they need a level of care not provided under the provisions  
89.25 of this chapter.

89.26 Recipients of covered health services under the children's health plan, as provided in  
89.27 Minnesota Statutes 1990, section 256.936, and as amended by Laws 1991, chapter 292,  
89.28 article 4, section 17, and recipients of covered health services enrolled in the children's  
89.29 health plan or the MinnesotaCare program after October 1, 1992, pursuant to Laws 1992,  
89.30 chapter 549, article 4, sections 5 and 17, are eligible to receive alcohol and drug dependency  
89.31 benefits under this subdivision.

90.1 Sec. 64. Minnesota Statutes 2020, section 256L.12, subdivision 8, is amended to read:

90.2 Subd. 8. **Chemical dependency assessments.** The managed care plan shall be responsible  
90.3 for assessing the need and ~~placement for~~ provision of chemical dependency services  
90.4 according to criteria set forth in ~~Minnesota Rules, parts 9530.6600 to 9530.6655~~ section  
90.5 245G.05.

90.6 Sec. 65. Minnesota Statutes 2020, section 260B.157, subdivision 1, is amended to read:

90.7 Subdivision 1. **Investigation.** Upon request of the court the local social services agency  
90.8 or probation officer shall investigate the personal and family history and environment of  
90.9 any minor coming within the jurisdiction of the court under section 260B.101 and shall  
90.10 report its findings to the court. The court may order any minor coming within its jurisdiction  
90.11 to be examined by a duly qualified physician, psychiatrist, or psychologist appointed by the  
90.12 court.

90.13 The court shall order a chemical use assessment conducted when a child is (1) found to  
90.14 be delinquent for violating a provision of chapter 152, or for committing a felony-level  
90.15 violation of a provision of chapter 609 if the probation officer determines that alcohol or  
90.16 drug use was a contributing factor in the commission of the offense, or (2) alleged to be  
90.17 delinquent for violating a provision of chapter 152, if the child is being held in custody  
90.18 under a detention order. The assessor's qualifications must comply with section 245G.11,  
90.19 subdivisions 1 and 5, and the assessment criteria ~~shall~~ must comply with ~~Minnesota Rules,~~  
90.20 ~~parts 9530.6600 to 9530.6655~~ section 245G.05. If funds under chapter 254B are to be used  
90.21 to pay for the recommended treatment, the assessment ~~and placement~~ must comply with all  
90.22 provisions of ~~Minnesota Rules, parts 9530.6600 to 9530.6655 and 9530.7000 to 9530.7030~~  
90.23 sections 245G.05 and 254B.04. The commissioner of human services shall reimburse the  
90.24 court for the cost of the chemical use assessment, up to a maximum of \$100.

90.25 The court shall order a children's mental health screening conducted when a child is  
90.26 found to be delinquent. The screening shall be conducted with a screening instrument  
90.27 approved by the commissioner of human services and shall be conducted by a mental health  
90.28 practitioner as defined in section 245.4871, subdivision 26, or a probation officer who is  
90.29 trained in the use of the screening instrument. If the screening indicates a need for assessment,  
90.30 the local social services agency, in consultation with the child's family, shall have a diagnostic  
90.31 assessment conducted, including a functional assessment, as defined in section 245.4871.

90.32 With the consent of the commissioner of corrections and agreement of the county to pay  
90.33 the costs thereof, the court may, by order, place a minor coming within its jurisdiction in  
90.34 an institution maintained by the commissioner for the detention, diagnosis, custody and

91.1 treatment of persons adjudicated to be delinquent, in order that the condition of the minor  
 91.2 be given due consideration in the disposition of the case. Any funds received under the  
 91.3 provisions of this subdivision shall not cancel until the end of the fiscal year immediately  
 91.4 following the fiscal year in which the funds were received. The funds are available for use  
 91.5 by the commissioner of corrections during that period and are hereby appropriated annually  
 91.6 to the commissioner of corrections as reimbursement of the costs of providing these services  
 91.7 to the juvenile courts.

91.8 Sec. 66. Minnesota Statutes 2020, section 260B.157, subdivision 3, is amended to read:

91.9 Subd. 3. **Juvenile treatment screening team.** (a) The local social services agency shall  
 91.10 establish a juvenile treatment screening team to conduct screenings and prepare case plans  
 91.11 under this subdivision. The team, which may be the team constituted under section 245.4885  
 91.12 or 256B.092 or ~~Minnesota Rules, parts 9530.6600 to 9530.6655~~ chapter 254B, shall consist  
 91.13 of social workers, juvenile justice professionals, and persons with expertise in the treatment  
 91.14 of juveniles who are emotionally disabled, chemically dependent, or have a developmental  
 91.15 disability. The team shall involve parents or guardians in the screening process as appropriate.  
 91.16 The team may be the same team as defined in section 260C.157, subdivision 3.

91.17 (b) If the court, prior to, or as part of, a final disposition, proposes to place a child:

91.18 (1) for the primary purpose of treatment for an emotional disturbance, and residential  
 91.19 placement is consistent with section 260.012, a developmental disability, or chemical  
 91.20 dependency in a residential treatment facility out of state or in one which is within the state  
 91.21 and licensed by the commissioner of human services under chapter 245A; or

91.22 (2) in any out-of-home setting potentially exceeding 30 days in duration, including a  
 91.23 post-dispositional placement in a facility licensed by the commissioner of corrections or  
 91.24 human services, the court shall notify the county welfare agency. The county's juvenile  
 91.25 treatment screening team must either:

91.26 (i) screen and evaluate the child and file its recommendations with the court within 14  
 91.27 days of receipt of the notice; or

91.28 (ii) elect not to screen a given case, and notify the court of that decision within three  
 91.29 working days.

91.30 (c) If the screening team has elected to screen and evaluate the child, the child may not  
 91.31 be placed for the primary purpose of treatment for an emotional disturbance, a developmental  
 91.32 disability, or chemical dependency, in a residential treatment facility out of state nor in a

92.1 residential treatment facility within the state that is licensed under chapter 245A, unless one  
92.2 of the following conditions applies:

92.3 (1) a treatment professional certifies that an emergency requires the placement of the  
92.4 child in a facility within the state;

92.5 (2) the screening team has evaluated the child and recommended that a residential  
92.6 placement is necessary to meet the child's treatment needs and the safety needs of the  
92.7 community, that it is a cost-effective means of meeting the treatment needs, and that it will  
92.8 be of therapeutic value to the child; or

92.9 (3) the court, having reviewed a screening team recommendation against placement,  
92.10 determines to the contrary that a residential placement is necessary. The court shall state  
92.11 the reasons for its determination in writing, on the record, and shall respond specifically to  
92.12 the findings and recommendation of the screening team in explaining why the  
92.13 recommendation was rejected. The attorney representing the child and the prosecuting  
92.14 attorney shall be afforded an opportunity to be heard on the matter.

92.15 Sec. 67. Minnesota Statutes 2021 Supplement, section 260C.157, subdivision 3, is amended  
92.16 to read:

92.17 Subd. 3. **Juvenile treatment screening team.** (a) The responsible social services agency  
92.18 shall establish a juvenile treatment screening team to conduct screenings under this chapter  
92.19 and chapter 260D, for a child to receive treatment for an emotional disturbance, a  
92.20 developmental disability, or related condition in a residential treatment facility licensed by  
92.21 the commissioner of human services under chapter 245A, or licensed or approved by a  
92.22 Tribe. A screening team is not required for a child to be in: (1) a residential facility  
92.23 specializing in prenatal, postpartum, or parenting support; (2) a facility specializing in  
92.24 high-quality residential care and supportive services to children and youth who have been  
92.25 or are at risk of becoming victims of sex trafficking or commercial sexual exploitation; (3)  
92.26 supervised settings for youth who are 18 years of age or older and living independently; or  
92.27 (4) a licensed residential family-based treatment facility for substance abuse consistent with  
92.28 section 260C.190. Screenings are also not required when a child must be placed in a facility  
92.29 due to an emotional crisis or other mental health emergency.

92.30 (b) The responsible social services agency shall conduct screenings within 15 days of a  
92.31 request for a screening, unless the screening is for the purpose of residential treatment and  
92.32 the child is enrolled in a prepaid health program under section 256B.69, in which case the  
92.33 agency shall conduct the screening within ten working days of a request. The responsible  
92.34 social services agency shall convene the juvenile treatment screening team, which may be

93.1 constituted under section 245.4885 ~~or, 254B.05, or 256B.092 or Minnesota Rules, parts~~  
93.2 ~~9530.6600 to 9530.6655~~. The team shall consist of social workers; persons with expertise  
93.3 in the treatment of juveniles who are emotionally disturbed, chemically dependent, or have  
93.4 a developmental disability; and the child's parent, guardian, or permanent legal custodian.  
93.5 The team may include the child's relatives as defined in section 260C.007, subdivisions 26b  
93.6 and 27, the child's foster care provider, and professionals who are a resource to the child's  
93.7 family such as teachers, medical or mental health providers, and clergy, as appropriate,  
93.8 consistent with the family and permanency team as defined in section 260C.007, subdivision  
93.9 16a. Prior to forming the team, the responsible social services agency must consult with the  
93.10 child's parents, the child if the child is age 14 or older, and, if applicable, the child's Tribe  
93.11 to obtain recommendations regarding which individuals to include on the team and to ensure  
93.12 that the team is family-centered and will act in the child's best interests. If the child, child's  
93.13 parents, or legal guardians raise concerns about specific relatives or professionals, the team  
93.14 should not include those individuals. This provision does not apply to paragraph (c).

93.15 (c) If the agency provides notice to Tribes under section 260.761, and the child screened  
93.16 is an Indian child, the responsible social services agency must make a rigorous and concerted  
93.17 effort to include a designated representative of the Indian child's Tribe on the juvenile  
93.18 treatment screening team, unless the child's Tribal authority declines to appoint a  
93.19 representative. The Indian child's Tribe may delegate its authority to represent the child to  
93.20 any other federally recognized Indian Tribe, as defined in section 260.755, subdivision 12.  
93.21 The provisions of the Indian Child Welfare Act of 1978, United States Code, title 25, sections  
93.22 1901 to 1963, and the Minnesota Indian Family Preservation Act, sections 260.751 to  
93.23 260.835, apply to this section.

93.24 (d) If the court, prior to, or as part of, a final disposition or other court order, proposes  
93.25 to place a child with an emotional disturbance or developmental disability or related condition  
93.26 in residential treatment, the responsible social services agency must conduct a screening.  
93.27 If the team recommends treating the child in a qualified residential treatment program, the  
93.28 agency must follow the requirements of sections 260C.70 to 260C.714.

93.29 The court shall ascertain whether the child is an Indian child and shall notify the  
93.30 responsible social services agency and, if the child is an Indian child, shall notify the Indian  
93.31 child's Tribe as paragraph (c) requires.

93.32 (e) When the responsible social services agency is responsible for placing and caring  
93.33 for the child and the screening team recommends placing a child in a qualified residential  
93.34 treatment program as defined in section 260C.007, subdivision 26d, the agency must: (1)  
93.35 begin the assessment and processes required in section 260C.704 without delay; and (2)

94.1 conduct a relative search according to section 260C.221 to assemble the child's family and  
94.2 permanency team under section 260C.706. Prior to notifying relatives regarding the family  
94.3 and permanency team, the responsible social services agency must consult with the child's  
94.4 parent or legal guardian, the child if the child is age 14 or older, and, if applicable, the child's  
94.5 Tribe to ensure that the agency is providing notice to individuals who will act in the child's  
94.6 best interests. The child and the child's parents may identify a culturally competent qualified  
94.7 individual to complete the child's assessment. The agency shall make efforts to refer the  
94.8 assessment to the identified qualified individual. The assessment may not be delayed for  
94.9 the purpose of having the assessment completed by a specific qualified individual.

94.10 (f) When a screening team determines that a child does not need treatment in a qualified  
94.11 residential treatment program, the screening team must:

94.12 (1) document the services and supports that will prevent the child's foster care placement  
94.13 and will support the child remaining at home;

94.14 (2) document the services and supports that the agency will arrange to place the child  
94.15 in a family foster home; or

94.16 (3) document the services and supports that the agency has provided in any other setting.

94.17 (g) When the Indian child's Tribe or Tribal health care services provider or Indian Health  
94.18 Services provider proposes to place a child for the primary purpose of treatment for an  
94.19 emotional disturbance, a developmental disability, or co-occurring emotional disturbance  
94.20 and chemical dependency, the Indian child's Tribe or the Tribe delegated by the child's Tribe  
94.21 shall submit necessary documentation to the county juvenile treatment screening team,  
94.22 which must invite the Indian child's Tribe to designate a representative to the screening  
94.23 team.

94.24 (h) The responsible social services agency must conduct and document the screening in  
94.25 a format approved by the commissioner of human services.

94.26 Sec. 68. Minnesota Statutes 2020, section 260E.20, subdivision 1, is amended to read:

94.27 Subdivision 1. **General duties.** (a) The local welfare agency shall offer services to  
94.28 prevent future maltreatment, safeguarding and enhancing the welfare of the maltreated child,  
94.29 and supporting and preserving family life whenever possible.

94.30 (b) If the report alleges a violation of a criminal statute involving maltreatment or child  
94.31 endangerment under section 609.378, the local law enforcement agency and local welfare  
94.32 agency shall coordinate the planning and execution of their respective investigation and  
94.33 assessment efforts to avoid a duplication of fact-finding efforts and multiple interviews.

95.1 Each agency shall prepare a separate report of the results of the agency's investigation or  
95.2 assessment.

95.3 (c) In cases of alleged child maltreatment resulting in death, the local agency may rely  
95.4 on the fact-finding efforts of a law enforcement investigation to make a determination of  
95.5 whether or not maltreatment occurred.

95.6 (d) When necessary, the local welfare agency shall seek authority to remove the child  
95.7 from the custody of a parent, guardian, or adult with whom the child is living.

95.8 (e) In performing any of these duties, the local welfare agency shall maintain an  
95.9 appropriate record.

95.10 (f) In conducting a family assessment or investigation, the local welfare agency shall  
95.11 gather information on the existence of substance abuse and domestic violence.

95.12 (g) If the family assessment or investigation indicates there is a potential for abuse of  
95.13 alcohol or other drugs by the parent, guardian, or person responsible for the child's care,  
95.14 the local welfare agency ~~shall conduct a chemical use~~ must coordinate a comprehensive  
95.15 assessment pursuant to Minnesota Rules, part 9530.6615 section 245G.05.

95.16 (h) The agency may use either a family assessment or investigation to determine whether  
95.17 the child is safe when responding to a report resulting from birth match data under section  
95.18 260E.03, subdivision 23, paragraph (c). If the child subject of birth match data is determined  
95.19 to be safe, the agency shall consult with the county attorney to determine the appropriateness  
95.20 of filing a petition alleging the child is in need of protection or services under section  
95.21 260C.007, subdivision 6, clause (16), in order to deliver needed services. If the child is  
95.22 determined not to be safe, the agency and the county attorney shall take appropriate action  
95.23 as required under section 260C.503, subdivision 2.

95.24 Sec. 69. Minnesota Statutes 2020, section 299A.299, subdivision 1, is amended to read:

95.25 Subdivision 1. **Establishment of team.** A county, a multicounty organization of counties  
95.26 formed by an agreement under section 471.59, or a city with a population of no more than  
95.27 50,000, may establish a multidisciplinary chemical abuse prevention team. The chemical  
95.28 abuse prevention team may include, but not be limited to, representatives of health, mental  
95.29 health, public health, law enforcement, educational, social service, court service, community  
95.30 education, religious, and other appropriate agencies, and parent and youth groups. For  
95.31 purposes of this section, "chemical abuse" has the meaning given in ~~Minnesota Rules, part~~  
95.32 ~~9530.6605, subpart 6~~ section 254A.02, subdivision 6a. When possible the team must

96.1 coordinate its activities with existing local groups, organizations, and teams dealing with  
96.2 the same issues the team is addressing.

96.3 Sec. 70. Laws 2021, First Special Session chapter 7, article 17, section 1, subdivision 2,  
96.4 is amended to read:

96.5 Subd. 2. **Eligibility.** An individual is eligible for the transition to community initiative  
96.6 if the individual does not meet eligibility criteria for the medical assistance program under  
96.7 section 256B.056 or 256B.057, but who meets at least one of the following criteria:

96.8 (1) the person otherwise meets the criteria under section 256B.092, subdivision 13, or  
96.9 256B.49, subdivision 24;

96.10 (2) the person has met treatment objectives and no longer requires a hospital-level care  
96.11 or a secure treatment setting, but the person's discharge from the Anoka Metro Regional  
96.12 Treatment Center, the Minnesota Security Hospital, or a community behavioral health  
96.13 hospital would be substantially delayed without additional resources available through the  
96.14 transitions to community initiative;

96.15 (3) the person is in a community hospital ~~and on the waiting list for the Anoka Metro~~  
96.16 ~~Regional Treatment Center~~, but alternative community living options would be appropriate  
96.17 for the person, ~~and the person has received approval from the commissioner~~; or

96.18 (4)(i) the person is receiving customized living services reimbursed under section  
96.19 256B.4914, 24-hour customized living services reimbursed under section 256B.4914, or  
96.20 community residential services reimbursed under section 256B.4914; (ii) the person expresses  
96.21 a desire to move; and (iii) the person has received approval from the commissioner.

96.22 Sec. 71. Laws 2021, First Special Session chapter 7, article 17, section 11, is amended to  
96.23 read:

96.24 Sec. 11. **EXPAND MOBILE CRISIS.**

96.25 ~~(a)~~ This act includes \$8,000,000 in fiscal year 2022 and \$8,000,000 in fiscal year 2023  
96.26 for additional funding for grants for adult mobile crisis services under Minnesota Statutes,  
96.27 section 245.4661, subdivision 9, paragraph (b), clause (15) and children's mobile crisis  
96.28 services under Minnesota Statutes, section 256B.0944. The general fund base in this act for  
96.29 this purpose is ~~\$4,000,000~~ \$8,000,000 in fiscal year 2024 and ~~\$0~~ \$8,000,000 in fiscal year  
96.30 2025.



97.1 ~~(b) Beginning April 1, 2024, counties may fund and continue conducting activities~~  
97.2 ~~funded under this section.~~

97.3 ~~(c) All grant activities must be completed by March 31, 2024.~~

97.4 ~~(d) This section expires June 30, 2024.~~

97.5 Sec. 72. Laws 2021, First Special Session chapter 7, article 17, section 12, is amended to  
97.6 read:

97.7 Sec. 12. ~~PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY AND CHILD~~  
97.8 ~~AND ADOLESCENT ADULT AND CHILDREN'S MOBILE TRANSITION UNIT~~  
97.9 ~~UNITS.~~

97.10 (a) This act includes \$2,500,000 in fiscal year 2022 and \$2,500,000 in fiscal year 2023  
97.11 for the commissioner of human services to create adult and children's mental health transition  
97.12 and support teams to facilitate transition back to the community of children or to the least  
97.13 restrictive level of care from inpatient psychiatric settings, emergency departments, residential  
97.14 treatment facilities, and child and adolescent behavioral health hospitals. The general fund  
97.15 base included in this act for this purpose is \$1,875,000 in fiscal year 2024 and \$0 in fiscal  
97.16 year 2025.

97.17 (b) Beginning April 1, 2024, counties may fund and continue conducting activities  
97.18 funded under this section.

97.19 (c) This section expires March 31, 2024.

97.20 Sec. 73. RATE INCREASE FOR MENTAL HEALTH ADULT DAY TREATMENT.

97.21 The commissioner of human services must increase the reimbursement rate for adult  
97.22 day treatment by 50 percent over the reimbursement rate in effect as of June 30, 2022.

97.23 EFFECTIVE DATE. This section is effective January 1, 2023, or 60 days following  
97.24 federal approval, whichever is later. The commissioner of human services shall notify the  
97.25 revisor of statutes when federal approval is obtained.

97.26 Sec. 74. REPEALER.

97.27 (a) Minnesota Statutes 2020, sections 169A.70, subdivision 6; 245G.22, subdivision 19;  
97.28 254A.02, subdivision 8a; 254A.16, subdivision 6; 254A.19, subdivisions 1a and 2; 254B.04,  
97.29 subdivisions 2b and 2c; and 254B.041, subdivision 2, are repealed.

97.30 (b) Minnesota Statutes 2021 Supplement, section 254A.19, subdivision 5, is repealed.

98.1 (c) Minnesota Rules, parts 9530.7000, subparts 1, 2, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 17a,  
 98.2 19, 20, and 21; 9530.7005; 9530.7010; 9530.7012; 9530.7015, subparts 1, 2a, 4, 5, and 6;  
 98.3 9530.7020, subparts 1, 1a, and 2; 9530.7021; 9530.7022, subpart 1; 9530.7025; and  
 98.4 9530.7030, subpart 1, are repealed.

98.5 **ARTICLE 4**

98.6 **HEALTH CARE**

98.7 Section 1. Minnesota Statutes 2020, section 256B.055, subdivision 17, is amended to read:

98.8 Subd. 17. **Adults who were in foster care at the age of 18.** (a) Medical assistance may  
 98.9 be paid for a person under 26 years of age who was in foster care under the commissioner's  
 98.10 responsibility on the date of attaining 18 years of age or older, and who was enrolled in  
 98.11 medical assistance under ~~the~~ a state plan or a waiver of ~~the~~ a plan while in foster care, in  
 98.12 accordance with section 2004 of the Affordable Care Act.

98.13 (b) Beginning January 1, 2023, medical assistance may be paid for a person under 26  
 98.14 years of age who was in foster care and enrolled in another state's Medicaid program while  
 98.15 in foster care, in accordance with Public Law 115-271, section 1002, the Substance  
 98.16 Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and  
 98.17 Communities Act.

98.18 **EFFECTIVE DATE.** This section is effective January 1, 2023.

98.19 Sec. 2. Minnesota Statutes 2020, section 256B.056, subdivision 7, is amended to read:

98.20 Subd. 7. **Period of eligibility.** (a) Eligibility is available for the month of application  
 98.21 and for three months prior to application if the person was eligible in those prior months.  
 98.22 A redetermination of eligibility must occur every 12 months.

98.23 (b) For a person eligible for an insurance affordability program as defined in section  
 98.24 256B.02, subdivision 19, who reports a change that makes the person eligible for medical  
 98.25 assistance, eligibility is available for the month the change was reported and for three months  
 98.26 prior to the month the change was reported, if the person was eligible in those prior months.

98.27 (c) Once determined eligible for medical assistance, a child under the age of 21 shall be  
 98.28 continuously eligible for a period of up to 12 months, unless:

98.29 (1) the child reaches age 21;

98.30 (2) the child requests voluntary termination of coverage;

98.31 (3) the child ceases to be a resident of Minnesota;

99.1 (4) the child dies; or

99.2 (5) the agency determines the child's eligibility was erroneously granted due to agency  
 99.3 error or enrollee fraud, abuse, or perjury.

99.4 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,  
 99.5 whichever is later. The commissioner of human services shall notify the revisor of statutes  
 99.6 when federal approval is obtained.

99.7 Sec. 3. Minnesota Statutes 2020, section 256B.0625, subdivision 28b, is amended to read:

99.8 Subd. 28b. **Doula services.** Medical assistance covers doula services provided by a  
 99.9 certified doula as defined in section 148.995, subdivision 2, of the mother's choice. For  
 99.10 purposes of this section, "doula services" means childbirth education and support services,  
 99.11 including emotional and physical support provided during pregnancy, labor, birth, and  
 99.12 postpartum. The commissioner shall enroll doula agencies and individual treating doulas  
 99.13 in order to provide direct reimbursement.

99.14 **EFFECTIVE DATE.** This section is effective January 1, 2023, subject to federal  
 99.15 approval. The commissioner of human services shall notify the revisor of statutes when  
 99.16 federal approval is obtained.

99.17 Sec. 4. Minnesota Statutes 2020, section 256L.04, subdivision 10, is amended to read:

99.18 Subd. 10. **Citizenship requirements.** (a) Eligibility for MinnesotaCare is limited to  
 99.19 citizens or nationals of the United States and lawfully present noncitizens as defined in  
 99.20 Code of Federal Regulations, title 8, section 103.12. Undocumented noncitizens, with the  
 99.21 exception of children under age 19, are ineligible for MinnesotaCare. For purposes of this  
 99.22 subdivision, an undocumented noncitizen is an individual who resides in the United States  
 99.23 without the approval or acquiescence of the United States Citizenship and Immigration  
 99.24 Services. Families with children who are citizens or nationals of the United States must  
 99.25 cooperate in obtaining satisfactory documentary evidence of citizenship or nationality  
 99.26 according to the requirements of the federal Deficit Reduction Act of 2005, Public Law  
 99.27 109-171.

99.28 (b) Notwithstanding subdivisions 1 and 7, eligible persons include families and  
 99.29 individuals who are lawfully present and ineligible for medical assistance by reason of  
 99.30 immigration status and who have incomes equal to or less than 200 percent of federal poverty  
 99.31 guidelines.

99.32 **EFFECTIVE DATE.** This section is effective January 1, 2024.

100.1

**ARTICLE 5**

100.2

**HEALTH INSURANCE ACCESS**

100.3 Section 1. Minnesota Statutes 2020, section 256L.04, subdivision 1c, is amended to read:

100.4 Subd. 1c. **General requirements.** (a) To be eligible for MinnesotaCare, a person must  
100.5 meet the eligibility requirements of in this section.

100.6 (b) A person eligible for MinnesotaCare shall not be considered a qualified individual  
100.7 under section 1312 of the Affordable Care Act, and is not eligible for enrollment in a qualified  
100.8 health plan with advance payment of the federal premium tax credit offered through MNsure  
100.9 under chapter 62V.

100.10 (c) Paragraph (b) does not apply to a person eligible for the buy-in option under  
100.11 subdivision 15.

100.12 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
100.13 whichever is later. The commissioner of human services shall notify the revisor of statutes  
100.14 when federal approval is obtained.

100.15 Sec. 2. Minnesota Statutes 2020, section 256L.04, subdivision 7a, is amended to read:

100.16 Subd. 7a. **Ineligibility.** Adults whose income is greater than the limits established under  
100.17 this section may not enroll in the MinnesotaCare program, except as provided in subdivision  
100.18 15.

100.19 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
100.20 whichever is later. The commissioner of human services shall notify the revisor of statutes  
100.21 when federal approval is obtained.

100.22 Sec. 3. Minnesota Statutes 2020, section 256L.04, is amended by adding a subdivision to  
100.23 read:

100.24 **Subd. 15. Persons eligible for buy-in option.** (a) Families and individuals with income  
100.25 above the maximum income eligibility limit specified in subdivision 1 or 7 who meet all  
100.26 other MinnesotaCare eligibility requirements are eligible for the buy-in option. All other  
100.27 provisions of this chapter apply unless otherwise specified.

100.28 (b) Families and individuals with income within or above the maximum income eligibility  
100.29 limit but ineligible for MinnesotaCare solely due to access to employer-subsidized coverage  
100.30 under section 256L.07, subdivision 2, are eligible for the buy-in option.

101.1 (c) Families and individuals may enroll in MinnesotaCare under this subdivision only  
 101.2 during an annual open enrollment period or special enrollment period, as designated by  
 101.3 MNsure in compliance with Code of Federal Regulations, title 45, parts 155.410 and 155.420.

101.4 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
 101.5 whichever is later. The commissioner of human services shall notify the revisor of statutes  
 101.6 when federal approval is obtained.

101.7 Sec. 4. Minnesota Statutes 2020, section 256L.07, subdivision 1, is amended to read:

101.8 Subdivision 1. **General requirements.** Individuals enrolled in MinnesotaCare under  
 101.9 section 256L.04, subdivision 1, and individuals enrolled in MinnesotaCare under section  
 101.10 256L.04, subdivision 7, whose income increases above 200 percent of the federal poverty  
 101.11 guidelines, are no longer eligible for the program and shall be disenrolled by the  
 101.12 commissioner, unless they continue MinnesotaCare enrollment through the buy-in option  
 101.13 under section 256L.04, subdivision 15. For persons disenrolled under this subdivision,  
 101.14 MinnesotaCare coverage terminates the last day of the calendar month in which the  
 101.15 commissioner sends advance notice according to Code of Federal Regulations, title 42,  
 101.16 section 431.211, that indicates the income of a family or individual exceeds program income  
 101.17 limits.

101.18 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
 101.19 whichever is later. The commissioner of human services shall notify the revisor of statutes  
 101.20 when federal approval is obtained.

101.21 Sec. 5. Minnesota Statutes 2021 Supplement, section 256L.07, subdivision 2, is amended  
 101.22 to read:

101.23 Subd. 2. **Must not have access to employer-subsidized minimum essential**  
 101.24 **coverage.** (a) To be eligible, a family or individual must not have access to subsidized health  
 101.25 coverage that is affordable and provides minimum value as defined in Code of Federal  
 101.26 Regulations, title 26, section 1.36B-2.

101.27 (b) Notwithstanding paragraph (a), an individual who has access through a spouse's or  
 101.28 parent's employer to subsidized health coverage that is deemed minimum essential coverage  
 101.29 under Code of Federal Regulations, title 26, section 1.36B-2, is eligible for MinnesotaCare  
 101.30 if the employee's portion of the annual premium for employee and dependent coverage  
 101.31 exceeds the required contribution percentage, as defined for premium tax credit eligibility  
 101.32 under United States Code, title 26, section 36B(c)(2)(C)(i)(II), as indexed according to item  
 101.33 (iv) of that section, of the individual's household income for the coverage year.

102.1 (c) This subdivision does not apply to a family or individual who no longer has  
 102.2 employer-subsidized coverage due to the employer terminating health care coverage as an  
 102.3 employee benefit.

102.4 (d) This subdivision does not apply to a family or individual who enrolls through the  
 102.5 buy-in option under section 256L.04, subdivision 15.

102.6 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
 102.7 whichever is later. The commissioner of human services shall notify the revisor of statutes  
 102.8 when federal approval is obtained.

102.9 Sec. 6. Minnesota Statutes 2021 Supplement, section 256L.15, subdivision 2, is amended  
 102.10 to read:

102.11 Subd. 2. **Sliding fee scale; monthly individual or family income.** (a) The commissioner  
 102.12 shall establish a sliding fee scale to determine the percentage of monthly individual or family  
 102.13 income that households at different income levels must pay to obtain coverage through the  
 102.14 MinnesotaCare program. The sliding fee scale must be based on the enrollee's monthly  
 102.15 individual or family income.

102.16 ~~(b) Beginning January 1, 2014, MinnesotaCare enrollees shall pay premiums according~~  
 102.17 ~~to the premium scale specified in paragraph (d).~~

102.18 ~~(e) (b) Paragraph (b) (a) does not apply to:~~

102.19 ~~(1) children 20 years of age or younger; and,~~

102.20 ~~(2) individuals with household incomes below 35 percent of the federal poverty~~  
 102.21 ~~guidelines.~~

102.22 ~~(d) The following premium scale is established for each individual in the household who~~  
 102.23 ~~is 21 years of age or older and enrolled in MinnesotaCare:~~

102.24	<b>Federal Poverty Guideline</b>	<b>Less than</b>	<b>Individual Premium</b>
102.25	<b>Greater than or Equal to</b>		<b>Amount</b>
102.26	35%	55%	\$4
102.27	55%	80%	\$6
102.28	80%	90%	\$8
102.29	90%	100%	\$10
102.30	100%	110%	\$12
102.31	110%	120%	\$14
102.32	120%	130%	\$15
102.33	130%	140%	\$16

103.1	<del>140%</del>	<del>150%</del>	\$25
103.2	<del>150%</del>	<del>160%</del>	\$37
103.3	<del>160%</del>	<del>170%</del>	\$44
103.4	<del>170%</del>	<del>180%</del>	\$52
103.5	<del>180%</del>	<del>190%</del>	\$61
103.6	<del>190%</del>	<del>200%</del>	\$71
103.7	<del>200%</del>		\$80

103.8 ~~(e)~~ (c) Beginning January 1, 2021 2023, the commissioner shall continue to charge  
 103.9 premiums in accordance with the simplified premium scale established to comply with the  
 103.10 American Rescue Plan Act of 2021, in effect from January 1, 2021, through December 31,  
 103.11 2022, for families and individuals eligible under section 256L.04, subdivisions 1 and 7. The  
 103.12 commissioner shall adjust the premium scale established under paragraph (d) as needed to  
 103.13 ensure that premiums do not exceed the amount that an individual would have been required  
 103.14 to pay if the individual was enrolled in an applicable benchmark plan in accordance with  
 103.15 the Code of Federal Regulations, title 42, section 600.505 (a)(1).

103.16 (d) The commissioner shall establish a sliding premium scale for persons eligible through  
 103.17 the buy-in option under section 256L.04, subdivision 15. Beginning January 1, 2025, persons  
 103.18 eligible through the buy-in option shall pay premiums according to the premium scale  
 103.19 established by the commissioner. Persons 20 years of age or younger are exempt from  
 103.20 paying premiums.

103.21 **EFFECTIVE DATE.** This section is effective January 1, 2023, except that the sliding  
 103.22 premium scale established under paragraph (d) is effective January 1, 2025, and is contingent  
 103.23 upon implementation of the buy-in option established under Minnesota Statutes, section  
 103.24 256L.04, subdivision 15. The commissioner of human services shall notify the revisor of  
 103.25 statutes whether the buy-in option has been established under Minnesota Statutes, section  
 103.26 256L.04, subdivision 15.

103.27 **Sec. 7. TRANSITION TO MINNESOTACARE BUY-IN OPTION.**

103.28 (a) The commissioner of human services shall continue to administer MinnesotaCare  
 103.29 as a basic health program in accordance with Minnesota Statutes, section 256L.02,  
 103.30 subdivision 5.

103.31 (b) By January 1, 2025, the commissioner of human services shall implement a buy-in  
 103.32 option that allows individuals with income over 200 percent of the federal poverty level to  
 103.33 be determined eligible for MinnesotaCare. Eligible individuals must still meet all other  
 103.34 MinnesotaCare eligibility requirements. By December 15, 2023, the commissioner shall

104.1 present the following to the chairs and ranking minority members of the legislative  
104.2 committees with jurisdiction over health care policy and finance:

104.3 (1) an implementation plan for the MinnesotaCare buy-in under Minnesota Statutes,  
104.4 section 256L.04, subdivision 15; and

104.5 (2) any additional legislative changes needed for implementation.

104.6 (c) The commissioner of human services shall seek any federal waivers, approvals, and  
104.7 legislative changes necessary to implement a MinnesotaCare buy-in option. This includes  
104.8 but is not limited to any waivers, approvals, or legislative changes necessary to allow the  
104.9 state to:

104.10 (1) continue to receive federal basic health program payments for basic health  
104.11 program-eligible MinnesotaCare enrollees and to receive other federal funding for the  
104.12 MinnesotaCare public option; and

104.13 (2) receive federal payments equal to the value of premium tax credits and cost-sharing  
104.14 reductions that MinnesotaCare enrollees with household incomes greater than 200 percent  
104.15 of the federal poverty guidelines would have otherwise received.

104.16 (d) In implementing this section, the commissioner of human services shall consult with  
104.17 the commissioner of commerce and the board of directors of MNsure, and may contract for  
104.18 technical and actuarial assistance.

104.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.

104.20 **ARTICLE 6**

104.21 **WORKFORCE**

104.22 Section 1. **WORKFORCE INCENTIVE GRANTS.**

104.23 (a) The commissioner of human services shall establish a grant program for behavioral  
104.24 health, disability, housing, and older adult Minnesota health care program providers to retain  
104.25 frontline workers. The grants must be used for:

104.26 (1) retention and incentive payments;

104.27 (2) postsecondary loan and tuition payments;

104.28 (3) child care payments to frontline workers; or

104.29 (4) additional uses that the commissioner deems allowable.





106.1	<u>(c) General Assistance</u>		<u>(2,617,000)</u>	<u>(1,488,000)</u>
106.2	<u>(d) Minnesota Supplemental Aid</u>		<u>(1,003,000)</u>	<u>268,000</u>
106.3	<u>(e) Housing Support</u>		<u>(1,151,000)</u>	<u>4,123,000</u>
106.4	<u>(f) Northstar Care for Children</u>		<u>(4,793,000)</u>	<u>(6,866,000)</u>
106.5	<u>(g) MinnesotaCare</u>		<u>(25,878,000)</u>	<u>(18,853,000)</u>

106.6 These appropriations are from the health care  
 106.7 access fund.

106.8 (h) Medical Assistance

106.9	<u>Appropriations by Fund</u>		
106.10	<u>General Fund</u>	<u>(180,728,000)</u>	<u>183,979,000</u>
106.11	<u>Health Care Access</u>		
106.12	<u>Fund</u>	<u>0</u>	<u>0</u>

106.13 (i) Alternative Care Program 0 0

106.14 (j) Behavioral Health Fund (12,889,000) (25,318,000)

106.15 Subd. 3. Technical Activities 0 0

106.16 These appropriations are from the federal  
 106.17 TANF fund.

106.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

106.19 **ARTICLE 8**  
 106.20 **APPROPRIATIONS**

106.21 Section 1. **HEALTH AND HUMAN SERVICES APPROPRIATIONS.**

106.22 The sums shown in the columns marked "Appropriations" are added to or, if shown in  
 106.23 parentheses, subtracted from the appropriations in Laws 2021, First Special Session chapter  
 106.24 7, article 16, to the agencies and for the purposes specified in this article. The appropriations  
 106.25 are from the general fund or other named fund and are available for the fiscal years indicated  
 106.26 for each purpose. The figures "2022" and "2023" used in this article mean that the addition  
 106.27 to or subtraction from the appropriation listed under them is available for the fiscal year  
 106.28 ending June 30, 2022, or June 30, 2023, respectively. Base adjustments mean the addition  
 106.29 to or subtraction from the base level adjustment set in Laws 2021, First Special Session  
 106.30 chapter 7, article 16. Supplemental appropriations and reductions to appropriations for the  
 106.31 fiscal year ending June 30, 2022, are effective the day following final enactment unless a  
 106.32 different effective date is explicit.

107.1				<b><u>APPROPRIATIONS</u></b>
107.2				<b><u>Available for the Year</u></b>
107.3				<b><u>Ending June 30</u></b>
107.4				<b><u>2022</u>                      <u>2023</u></b>
107.5	<b><u>Sec. 2. COMMISSIONER OF HUMAN</u></b>			
107.6	<b><u>SERVICES</u></b>			
107.7	<b><u>Subdivision 1. Total Appropriation</u></b>		<b><u>\$</u></b>	<b><u>335,000</u> <u>\$</u> <u>441,150,000</u></b>
107.8	<b><u>Appropriations by Fund</u></b>			
107.9		<b><u>2022</u></b>	<b><u>2023</u></b>	
107.10	<b><u>General</u></b>	<b><u>335,000</u></b>	<b><u>352,565,000</u></b>	
107.11	<b><u>Health Care Access</u></b>	<b><u>-0-</u></b>	<b><u>61,517,000</u></b>	
107.12	<b><u>Federal TANF</u></b>	<b><u>-0-</u></b>	<b><u>26,529,000</u></b>	
107.13	<b><u>Opiate Epidemic</u></b>			
107.14	<b><u>Response</u></b>	<b><u>-0-</u></b>	<b><u>539,000</u></b>	
107.15	<b><u>Subd. 2. Central Office; Operations</u></b>			
107.16	<b><u>Appropriations by Fund</u></b>			
107.17	<b><u>General</u></b>	<b><u>335,000</u></b>	<b><u>93,508,000</u></b>	
107.18	<b><u>Health Care Access</u></b>	<b><u>-0-</u></b>	<b><u>27,750,000</u></b>	
107.19	<b><u>(a) Background Studies. (1) \$1,779,000 in</u></b>			
107.20	<b><u>fiscal year 2023 is to provide a credit to</u></b>			
107.21	<b><u>providers who paid for emergency background</u></b>			
107.22	<b><u>studies in NETStudy 2.0. This is a onetime</u></b>			
107.23	<b><u>appropriation.</u></b>			
107.24	<b><u>(2) \$1,851,000 in fiscal year 2023 is to fund</u></b>			
107.25	<b><u>the costs of reprocessing emergency studies</u></b>			
107.26	<b><u>conducted under interagency agreements. This</u></b>			
107.27	<b><u>is a onetime appropriation.</u></b>			
107.28	<b><u>(b) Supporting Drug Pricing Litigation</u></b>			
107.29	<b><u>Costs. \$228,000 in fiscal year 2022 is for costs</u></b>			
107.30	<b><u>to comply with litigation requirements related</u></b>			
107.31	<b><u>to pharmaceutical drug price litigation. This</u></b>			
107.32	<b><u>is a onetime appropriation.</u></b>			

108.1 (c) Base Level Adjustment. The general fund  
 108.2 base is increased \$12,188,000 in fiscal year  
 108.3 2024 and \$9,721,000 in fiscal year 2025. The  
 108.4 health care access fund base is increased  
 108.5 \$17,677,000 in fiscal year 2024 and  
 108.6 \$17,677,000 in fiscal year 2025.

108.7 Subd. 3. Central Office; Children and Families -0- 6,145,000

108.8 (a) Child Tax Credit Outreach and  
 108.9 Research. \$427,000 in fiscal year 2023 is for  
 108.10 a temporary outreach and research initiative  
 108.11 aimed at addressing systemic economic  
 108.12 barriers for children living in poverty by  
 108.13 improving the rate at which Minnesota  
 108.14 families apply for and receive the federal child  
 108.15 tax credits.

108.16 (b) Base Level Adjustment. The general fund  
 108.17 base is increased \$6,799,000 in fiscal year  
 108.18 2024 and \$6,012,000 in fiscal year 2025.

108.19 Subd. 4. Central Office; Health Care

108.20	<u>Appropriations by Fund</u>		
108.21	<u>General</u>	-0-	<u>907,000</u>
108.22	<u>Health Care Access</u>	-0-	<u>4,298,000</u>

108.23 (a) Interactive Voice Response and  
 108.24 Improving Access for Applications and  
 108.25 Forms. \$1,350,000 in fiscal year 2023 is for  
 108.26 the improvement of accessibility to Minnesota  
 108.27 health care programs applications, forms, and  
 108.28 other consumer support resources and services  
 108.29 to enrollees with limited English proficiency.  
 108.30 This is a onetime appropriation.

108.31 (b) Community-Driven Improvements.  
 108.32 \$680,000 in fiscal year 2023 is for Minnesota  
 108.33 health care program enrollee engagement  
 108.34 activities.

109.1 (c) Base Level Adjustment. The general fund  
 109.2 base is increased \$836,000 in fiscal year 2024  
 109.3 and \$836,000 in fiscal year 2025. The health  
 109.4 care access fund base is increased \$4,087,000  
 109.5 in fiscal year 2024 and \$6,300,000 in fiscal  
 109.6 year 2025.

109.7 Subd. 5. Central Office; Community Supports

<u>Appropriations by Fund</u>			
109.8			
109.9	<u>General</u>	<u>-0-</u>	<u>4,858,000</u>
109.10	<u>Opioid Epidemic</u>		
109.11	<u>Response</u>	<u>-0-</u>	<u>539,000</u>

109.12 Base Level Adjustment. The general fund  
 109.13 base is increased \$6,660,000 in fiscal year  
 109.14 2024 and \$8,395,000 in fiscal year 2025.

109.15 Subd. 6. Forecasted Programs; MFIP/DWP

<u>Appropriations by Fund</u>			
109.16			
109.17	<u>General</u>	<u>-0-</u>	<u>285,000</u>
109.18	<u>Federal TANF</u>	<u>-0-</u>	<u>529,000</u>

109.19	<u>Subd. 7. Forecasted Programs; MFIP Child Care</u>		
109.20	<u>Assistance</u>	<u>-0-</u>	<u>101,000</u>

109.21	<u>Subd. 8. Forecasted Programs; General</u>		
109.22	<u>Assistance</u>	<u>-0-</u>	<u>48,000</u>

109.23	<u>Subd. 9. Forecasted Programs; MinnesotaCare</u>	<u>-0-</u>	<u>15,116,000</u>
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109.24 This appropriation is from the health care  
 109.25 access fund.

109.26 Subd. 10. Forecasted Programs; Medical  
 109.27 Assistance

<u>Appropriations by Fund</u>			
109.28			
109.29	<u>General</u>	<u>-0-</u>	<u>(8,571,000)</u>
109.30	<u>Health Care Access</u>	<u>-0-</u>	<u>14,353,000</u>

110.1	<b><u>Subd. 11. Grant Programs; BSF Child Care</u></b>		
110.2	<b><u>Grants</u></b>	<u>-0-</u>	<u>-0-</u>
110.3	<b><u>Base Level Adjustment.</u></b> The general fund		
110.4	<u>base is increased \$248,359,000 in fiscal year</u>		
110.5	<u>2024 and \$546,442,000 in fiscal year 2025.</u>		
110.6	<b><u>Subd. 12. Grant Programs; Child Care</u></b>		
110.7	<b><u>Development Grants</u></b>	<u>-0-</u>	<u>31,706,000</u>
110.8	<b><u>(a) Child Care Provider Access to</u></b>		
110.9	<b><u>Technology Grants.</u></b> \$300,000 in fiscal year		
110.10	<u>2023 is for child care provider access to</u>		
110.11	<u>technology grants pursuant to Minnesota</u>		
110.12	<u>Statutes, section 119B.28.</u>		
110.13	<b><u>(b) One-Stop Regional Assistance Network.</u></b>		
110.14	<u>Beginning in fiscal year 2025, the base shall</u>		
110.15	<u>include \$1,200,000 from the general fund for</u>		
110.16	<u>a grant to the statewide child care resource</u>		
110.17	<u>and referral network to administer the child</u>		
110.18	<u>care one-stop shop regional assistance network</u>		
110.19	<u>in accordance with Minnesota Statutes, section</u>		
110.20	<u>119B.19, subdivision 7, clause (9).</u>		
110.21	<b><u>(c) Child Care Workforce Development</u></b>		
110.22	<b><u>Grants.</u></b> Beginning in fiscal year 2025, the		
110.23	<u>base shall include \$1,300,000 for a grant to</u>		
110.24	<u>the statewide child care resource and referral</u>		
110.25	<u>network to administer the child care workforce</u>		
110.26	<u>development grants in accordance with</u>		
110.27	<u>Minnesota Statutes, section 119B.19,</u>		
110.28	<u>subdivision 7, clause (10).</u>		
110.29	<b><u>(d) Shared Services Innovation Grants.</u></b> The		
110.30	<u>base shall include \$500,000 in fiscal year 2024</u>		
110.31	<u>and \$500,000 in fiscal year 2025 for shared</u>		
110.32	<u>services innovation grants pursuant to</u>		
110.33	<u>Minnesota Statutes, section 119B.27.</u>		
110.34	<b><u>(e) Stabilization Grants for Child Care</u></b>		
110.35	<b><u>Providers Experiencing Financial Hardship.</u></b>		

111.1 \$31,406,000 in fiscal year 2023 is for child  
 111.2 care stabilization grants for child care  
 111.3 programs in extreme financial hardship. This  
 111.4 is a onetime appropriation. Money not  
 111.5 distributed in fiscal year 2023 or 2024 shall  
 111.6 be available until June 30, 2025. Use of grant  
 111.7 money must be made in accordance with  
 111.8 eligibility and compliance requirements  
 111.9 established by the commissioner.

111.10 (f) **Base Level Adjustment.** The general fund  
 111.11 base is increased \$67,088,000 in fiscal year  
 111.12 2024 and \$3,300,000 in fiscal year 2025.

111.13 Subd. 13. **Grant Programs; Children's Services**  
 111.14 **Grants**

-0-

4,040,000

111.15 (a) **American Indian Child Welfare**  
 111.16 **Initiative; Mille Lacs Band of Ojibwe**  
 111.17 **Planning.** \$1,263,000 in fiscal year 2023 is  
 111.18 to support activities necessary for the Mille  
 111.19 Lacs Band of Ojibwe to join the American  
 111.20 Indian child welfare initiative.

111.21 (b) **Expand Parent Support Outreach**  
 111.22 **Program.** The base shall include \$7,000,000  
 111.23 in fiscal year 2024 and \$7,000,000 in fiscal  
 111.24 year 2025 to expand the parent support  
 111.25 outreach program to community-based  
 111.26 agencies, public health agencies, and schools  
 111.27 to prevent reporting of and entry into the child  
 111.28 welfare system.

111.29 (c) **Thriving Families Safer Children.** The  
 111.30 base shall include \$30,000 in fiscal year 2024  
 111.31 to plan for an education attendance support  
 111.32 diversionary program to prevent entry into the  
 111.33 child welfare system. The commissioner shall  
 111.34 report back to the legislative committees that  
 111.35 oversee child welfare by January 1, 2025, on

- 112.1 the plan for this program. This is a onetime  
112.2 appropriation.
- 112.3 **(d) Family Group Decision Making.** The  
112.4 base shall include \$5,000,000 in fiscal year  
112.5 2024 and \$5,000,000 in fiscal year 2025 to  
112.6 expand the use of family group decision  
112.7 making to provide opportunity for family  
112.8 voices concerning critical decisions in child  
112.9 safety and prevent entry into the child welfare  
112.10 system.
- 112.11 **(e) Child Welfare Promising Practices.** The  
112.12 base shall include \$5,000,000 in fiscal year  
112.13 2024 and \$5,000,000 in fiscal year 2025 to  
112.14 develop promising practices for prevention of  
112.15 out-of-home placement of children and youth.
- 112.16 **(f) Family Assessment Response.** The base  
112.17 shall include \$23,550,000 in fiscal year 2024  
112.18 and \$23,550,000 in fiscal year 2025 to support  
112.19 counties and Tribes that are members of the  
112.20 American Indian child welfare initiative in  
112.21 providing case management services and  
112.22 support for families being served under family  
112.23 assessment response, and prevent entry into  
112.24 the child welfare system.
- 112.25 **(g) Extend Support for Youth Leaving**  
112.26 **Foster Care.** \$600,000 in fiscal year 2023 is  
112.27 to extend financial supports for young adults  
112.28 aging out of foster care to age 22.
- 112.29 **(h) Grants to Counties for Child Protection**  
112.30 **Staff.** \$1,000,000 in fiscal year 2023 is to  
112.31 provide grants to counties and American  
112.32 Indian child welfare initiative Tribes to be  
112.33 used to reduce extended foster care caseload  
112.34 sizes to ten cases per worker.



113.1 **(i) Statewide Pool of Qualified Individuals.**  
 113.2 \$1,177,400 in fiscal year 2023 is for grants to  
 113.3 one or more grantees to establish and manage  
 113.4 a pool of state-funded qualified individuals to  
 113.5 assess potential out-of-home placement of a  
 113.6 child in a qualified residential treatment  
 113.7 program. Up to \$200,000 of the grants each  
 113.8 fiscal year is available for grantee contracts to  
 113.9 manage the state-funded pool of qualified  
 113.10 individuals. This amount shall also pay for  
 113.11 qualified individual training, certification, and  
 113.12 background studies. Remaining grant money  
 113.13 shall be used until expended to provide  
 113.14 qualified individual services to counties and  
 113.15 Tribes that have joined the American Indian  
 113.16 child welfare initiative pursuant to Minnesota  
 113.17 Statutes, section 256.01, subdivision 14b, to  
 113.18 provide qualified residential treatment  
 113.19 program assessments at no cost to the county  
 113.20 or Tribal agency.

113.21 **(j) Base Level Adjustment.** The general fund  
 113.22 base is increased \$47,571,000 in fiscal year  
 113.23 2024 and \$44,900,000 in fiscal year 2025.

113.24 **Subd. 14. Refugee Services Grants** -0- 5,111,000

113.25 **(a) Refugee and Immigrant Services.**  
 113.26 \$5,111,000 in fiscal year 2023 is to extend the  
 113.27 refugee and immigrant COVID-19 care line  
 113.28 and expand eligibility for self-sufficiency and  
 113.29 community integration services provided by  
 113.30 community-based nonprofit resettlement  
 113.31 agencies to immigrants in Minnesota.

113.32 **(b) Base Level Adjustment.** The general fund  
 113.33 base is increased \$5,083,000 in fiscal year  
 113.34 2024 and \$0 in fiscal year 2025.

114.1	<b><u>Subd. 15. Grant Programs; Children and</u></b>		
114.2	<b><u>Economic Support Grants</u></b>	<u>-0-</u>	<u>69,099,000</u>
114.3	<b><u>(a) Family and Community Resource Hubs.</u></b>		
114.4	<u>\$2,550,000 in fiscal year 2023 is to implement</u>		
114.5	<u>a sustainable family and community resource</u>		
114.6	<u>hub model through the community action</u>		
114.7	<u>agencies under Minnesota Statutes, section</u>		
114.8	<u>256E.31, and federally recognized Tribes. The</u>		
114.9	<u>community resource hubs must offer</u>		
114.10	<u>navigation to several supports and services,</u>		
114.11	<u>including but not limited to basic needs and</u>		
114.12	<u>economic assistance, disability services,</u>		
114.13	<u>healthy development and screening,</u>		
114.14	<u>developmental and behavioral concerns,</u>		
114.15	<u>family well-being and mental health, early</u>		
114.16	<u>learning and child care, dental care, legal</u>		
114.17	<u>services, and culturally specific services for</u>		
114.18	<u>American Indian families.</u>		
114.19	<b><u>(b) Tribal Food Sovereignty Infrastructure</u></b>		
114.20	<b><u>Grants.</u></b> <u>\$4,000,000 in fiscal year 2023 is for</u>		
114.21	<u>capital and infrastructure development to</u>		
114.22	<u>support food system changes and provide</u>		
114.23	<u>equitable access to existing and new methods</u>		
114.24	<u>of food support for American Indian</u>		
114.25	<u>communities, including federally recognized</u>		
114.26	<u>Tribes and American Indian nonprofit</u>		
114.27	<u>organizations. This is a onetime appropriation</u>		
114.28	<u>and is available until June 30, 2025.</u>		
114.29	<b><u>(c) Tribal Food Security.</u></b> <u>\$2,836,000 in fiscal</u>		
114.30	<u>year 2023 is to promote food security for</u>		
114.31	<u>American Indian communities, including</u>		
114.32	<u>federally recognized Tribes and American</u>		
114.33	<u>Indian nonprofit organizations. This includes</u>		
114.34	<u>hiring staff, providing culturally relevant</u>		
114.35	<u>training for building food access, purchasing</u>		

115.1 technical assistance materials and supplies,  
115.2 and planning for sustainable food systems.

115.3 **(d) Capital for Emergency Food**

115.4 **Distribution Facilities.** \$14,931,000 in fiscal  
115.5 year 2023 is for improving and expanding the  
115.6 infrastructure of food shelf facilities across  
115.7 the state, including adding freezer or cooler  
115.8 space and dry storage space, improving the  
115.9 safety and sanitation of existing food shelves,  
115.10 and addressing deferred maintenance or other  
115.11 facility needs of existing food shelves. Grant  
115.12 money shall be made available to nonprofit  
115.13 organizations, federally recognized Tribes,  
115.14 and local units of government. This is a  
115.15 onetime appropriation and is available until  
115.16 June 30, 2025.

115.17 **(e) Food Support Grants.** \$5,000,000 in  
115.18 fiscal year 2023 is to provide additional  
115.19 resources to a diverse food support network  
115.20 that includes food shelves, food banks, and  
115.21 meal and food outreach programs. Grant  
115.22 money shall be made available to nonprofit  
115.23 organizations, federally recognized Tribes,  
115.24 and local units of government.

115.25 **(f) Base Level Adjustment.** The general fund  
115.26 base is increased \$61,541,000 in fiscal year  
115.27 2024 and \$64,079,000 in fiscal year 2025.

115.28 **Subd. 16. Grant Programs; Health Care Grants** -0- 2,000,000

115.29 This is a onetime appropriation.

115.30 **Health and Human Services Vaccination**

115.31 **Rates.** \$1,000,000 in fiscal year 2023 is for  
115.32 community outreach grants to increase  
115.33 vaccination rates among enrollees in

116.1	<u>Minnesota health care programs. This is a</u>		
116.2	<u>onetime appropriation.</u>		
116.3	<b><u>Subd. 17. Grant Programs; Other Long-Term</u></b>		
116.4	<b><u>Care Grants</u></b>	<u>-0-</u>	<u>115,000,000</u>
116.5	<b><u>Workforce Incentive Grants. \$115,000,000</u></b>		
116.6	<u>in fiscal year 2023 is for workforce grants to</u>		
116.7	<u>behavioral health, disability, housing, and</u>		
116.8	<u>older adult Minnesota health care program</u>		
116.9	<u>providers for the purpose of retaining workers.</u>		
116.10	<u>This is a onetime appropriation and is</u>		
116.11	<u>available until June 30, 2025.</u>		
116.12	<b><u>Subd. 18. Grant Programs; Disabilities Grants</u></b>	<u>-0-</u>	<u>-0-</u>
116.13	<b><u>Base Level Adjustment. The general fund</u></b>		
116.14	<u>base is increased \$500,000 in fiscal year 2024</u>		
116.15	<u>and \$2,000,000 in fiscal year 2025.</u>		
116.16	<b><u>Subd. 19. Grant Programs; Housing Support</u></b>		
116.17	<b><u>Grants</u></b>	<u>-0-</u>	<u>1,100,000</u>
116.18	<b><u>(a) AmeriCorps Heading Home Corps.</u></b>		
116.19	<u>\$1,100,000 in fiscal year 2023 is for the</u>		
116.20	<u>AmeriCorps Heading Home Corps program</u>		
116.21	<u>to fund housing resource navigators supporting</u>		
116.22	<u>individuals experiencing homelessness.</u>		
116.23	<b><u>(b) Base Level Adjustment. The general fund</u></b>		
116.24	<u>base is increased \$1,100,000 in fiscal year</u>		
116.25	<u>2024 and \$12,100,000 in fiscal year 2025.</u>		
116.26	<b><u>Subd. 20. Grant Programs; Adult Mental Health</u></b>		
116.27	<b><u>Grants</u></b>	<u>-0-</u>	<u>7,927,000</u>
116.28	<b><u>(a) Inpatient Psychiatric and Psychiatric</u></b>		
116.29	<b><u>Residential Treatment Facilities.</u></b>		
116.30	<u>\$10,000,000 in fiscal year 2023 is for</u>		
116.31	<u>competitive grants to hospitals or mental</u>		
116.32	<u>health providers to retain, build, or expand</u>		
116.33	<u>children's inpatient psychiatric beds for</u>		
116.34	<u>children in need of acute high-level psychiatric</u>		

117.1 care or psychiatric residential treatment facility  
 117.2 beds as described in Minnesota Statutes,  
 117.3 section 256B.0941. In order to be eligible for  
 117.4 a grant, a hospital or mental health provider  
 117.5 must serve individuals covered by medical  
 117.6 assistance under Minnesota Statutes, section  
 117.7 256B.0625.

117.8 **(b) Expanding Support for Psychiatric**  
 117.9 **Residential Treatment Facilities. \$800,000**  
 117.10 in fiscal year 2023 is for start-up grants to  
 117.11 psychiatric residential treatment facilities as  
 117.12 described in Minnesota Statutes, section  
 117.13 256B.0941. Grantees can use grant money for  
 117.14 emergency workforce shortage uses.  
 117.15 Allowable grant uses related to emergency  
 117.16 workforce shortages may include but are not  
 117.17 limited to hiring and retention bonuses,  
 117.18 recruitment of a culturally responsive  
 117.19 workforce, and allowing providers to increase  
 117.20 the hourly rate in order to be competitive in  
 117.21 the market.

117.22 **(c) Base Level Adjustment.** The general fund  
 117.23 base is increased \$12,791,000 in fiscal year  
 117.24 2024 and \$19,916,000 in fiscal year 2025. The  
 117.25 opiate epidemic response base is increased  
 117.26 \$2,000,000 in fiscal year 2025.

117.27 **Subd. 21. Grant Programs; Child Mental Health**  
 117.28 **Grants** -0- 10,800,000

117.29 **Base Level Adjustment.** The general fund  
 117.30 base is increased \$15,800,000 in fiscal year  
 117.31 2024 and \$800,000 in fiscal year 2025.

117.32 **Subd. 22. Grant Programs; Chemical**  
 117.33 **Dependency Treatment Support Grants** -0- 2,000,000

117.34 **(a) Emerging Mood Disorder Grant**  
 117.35 **Program.** \$1,000,000 in fiscal year 2023 is

118.1 for emerging mood disorder grants under  
 118.2 Minnesota Statutes, section 245.4904.  
 118.3 Grantees must use grant money as required in  
 118.4 Minnesota Statutes, section 245.4904,  
 118.5 subdivision 2.

118.6 **(b) Substance Use Disorder Treatment and**  
 118.7 **Prevention Grants.** The base shall include  
 118.8 \$4,000,000 in fiscal year 2024 and \$4,000,000  
 118.9 in fiscal year 2025 for substance use disorder  
 118.10 treatment and prevention grants recommended  
 118.11 by the substance use disorder advisory council.

118.12 **(c) Traditional Healing Grants.** The base  
 118.13 shall include \$2,000,000 in fiscal year 2025  
 118.14 to extend the traditional healing grant funding  
 118.15 appropriated in Laws 2019, chapter 63, article  
 118.16 3, section 1, paragraph (h), from the opiate  
 118.17 epidemic response account to the  
 118.18 commissioner of human services. This funding  
 118.19 is awarded to all Tribal nations and to five  
 118.20 urban Indian communities for traditional  
 118.21 healing practices to American Indians and to  
 118.22 increase the capacity of culturally specific  
 118.23 providers in the behavioral health workforce.

118.24 **(d) Base Level Adjustment.** The general fund  
 118.25 base is increased \$2,000,000 in fiscal year  
 118.26 2024 and \$2,000,000 in fiscal year 2025.

118.27 **Subd. 23. Direct Care and Treatment -**  
 118.28 **Operations** -0- 6,501,000

118.29 **Base Level Adjustment.** The general fund  
 118.30 base is increased \$5,267,000 in fiscal year  
 118.31 2024 and \$0 in fiscal year 2025.

118.32 **Subd. 24. Technical Activities** -0- 26,000,000

118.33 **(a) Transfers; Child Care and Development**  
 118.34 **Fund.** For fiscal years 2024 and 2025, the base

119.1 shall include a transfer of \$23,500,000 in fiscal  
 119.2 year 2024 and \$23,500,000 in fiscal year 2025  
 119.3 from the TANF fund to the child care and  
 119.4 development fund. These are onetime  
 119.5 transfers.

119.6 **(b) Base Level Adjustment.** The TANF base  
 119.7 is increased \$49,500,000 in fiscal year 2024,  
 119.8 \$49,500,000 in fiscal year 2025, and \$0 in  
 119.9 fiscal year 2026.

119.10 **Sec. 3. BOARD OF DIRECTORS OF MNSURE**

119.11	<u>Appropriations by Fund</u>	
119.12	<u>2022</u>	<u>2023</u>
119.13	<u>General</u>	<u>-0- 7,775,000</u>
119.14	<u>Health Care Access</u>	<u>-0- 3,500,000</u>

119.15 These appropriations may be transferred to  
 119.16 the MNSure account established by Minnesota  
 119.17 Statutes, section 62V.07. The health care  
 119.18 access fund appropriation is onetime.

119.19 **Base Adjustment.** The general fund base for  
 119.20 this appropriation is \$7,476,000 in fiscal year  
 119.21 2024, \$3,521,000 in fiscal year 2025, and \$0  
 119.22 in fiscal year 2026.

**119B.03 BASIC SLIDING FEE PROGRAM.**

Subdivision 1. **Notice of allocation.** By October 1 of each year, the commissioner shall notify all counties of their final child care fund program allocation.

Subd. 2. **Waiting list.** Each county that receives funds under this section must keep a written record and report to the commissioner the number of eligible families who have applied for a child care subsidy or have requested child care assistance. Counties shall perform a preliminary determination of eligibility when a family requests child care assistance. At a minimum, a county must make a preliminary determination of eligibility based on family size, income, and authorized activity. A family seeking child care assistance must provide the required information to the county. A family that appears to be eligible must be put on a waiting list if funds are not immediately available. The waiting list must identify students in need of child care. Counties must review and update their waiting list at least every six months.

Subd. 4. **Funding priority.** (a) First priority for child care assistance under the basic sliding fee program must be given to eligible non-MFIP families who do not have a high school diploma or commissioner of education-selected high school equivalency certification or who need remedial and basic skill courses in order to pursue employment or to pursue education leading to employment and who need child care assistance to participate in the education program. This includes student parents as defined under section 119B.011, subdivision 19b. Within this priority, the following subpriorities must be used:

- (1) child care needs of minor parents;
- (2) child care needs of parents under 21 years of age; and
- (3) child care needs of other parents within the priority group described in this paragraph.

(b) Second priority must be given to parents who have completed their MFIP or DWP transition year, or parents who are no longer receiving or eligible for diversionary work program supports.

(c) Third priority must be given to families who are eligible for portable basic sliding fee assistance through the portability pool under subdivision 9.

(d) Fourth priority must be given to families in which at least one parent is a veteran as defined under section 197.447.

(e) Families under paragraph (b) must be added to the basic sliding fee waiting list on the date they begin the transition year under section 119B.011, subdivision 20, and must be moved into the basic sliding fee program as soon as possible after they complete their transition year.

Subd. 4a. **Temporary reprioritization.** (a) Notwithstanding subdivision 4, priority for child care assistance under the basic sliding fee assistance program shall be determined according to this subdivision beginning July 1, 2021, through May 31, 2024.

(b) First priority must be given to eligible non-MFIP families who do not have a high school diploma or commissioner of education-selected high school equivalency certification or who need remedial and basic skill courses in order to pursue employment or to pursue education leading to employment and who need child care assistance to participate in the education program. This includes student parents as defined under section 119B.011, subdivision 19b. Within this priority, the following subpriorities must be used:

- (1) child care needs of minor parents;
- (2) child care needs of parents under 21 years of age; and
- (3) child care needs of other parents within the priority group described in this paragraph.

(c) Second priority must be given to families in which at least one parent is a veteran, as defined under section 197.447.

(d) Third priority must be given to eligible families who do not meet the specifications of paragraph (b), (c), (e), or (f).

(e) Fourth priority must be given to families who are eligible for portable basic sliding fee assistance through the portability pool under subdivision 9.

(f) Fifth priority must be given to eligible families receiving services under section 119B.011, subdivision 20a, if the parents have completed their MFIP or DWP transition year, or if the parents are no longer receiving or eligible for DWP supports.



APPENDIX  
Repealed Minnesota Statutes: 22-05640

(g) Families under paragraph (f) must be added to the basic sliding fee waiting list on the date they complete their transition year under section 119B.011, subdivision 20.

**Subd. 5. Review of use of funds; reallocation.** (a) After each quarter, the commissioner shall review the use of basic sliding fee program allocations by county. The commissioner may reallocate unexpended or unencumbered money among those counties who have expended their full allocation or may allow a county to expend up to ten percent of its allocation in the subsequent allocation period.

(b) Any unexpended state and federal appropriations from the first year of the biennium may be carried forward to the second year of the biennium.

**Subd. 6. Allocation formula.** The allocation component of basic sliding fee state and federal funds shall be allocated on a calendar year basis. Funds shall be allocated first in amounts equal to each county's guaranteed floor according to subdivision 8, with any remaining available funds allocated according to the following formula:

(a) One-fourth of the funds shall be allocated in proportion to each county's total expenditures for the basic sliding fee child care program reported during the most recent fiscal year completed at the time of the notice of allocation.

(b) Up to one-fourth of the funds shall be allocated in proportion to the number of families participating in the transition year child care program as reported during and averaged over the most recent six months completed at the time of the notice of allocation. Funds in excess of the amount necessary to serve all families in this category shall be allocated according to paragraph (e).

(c) Up to one-half of the funds shall be allocated in proportion to the average of each county's most recent 12 months of reported waiting list as defined in subdivision 2 and the reinstatement list of those families whose assistance was terminated with the approval of the commissioner under Minnesota Rules, part 3400.0183, subpart 1. Funds in excess of the amount necessary to serve all families in this category shall be allocated according to paragraph (e).

(d) The amount necessary to serve all families in paragraphs (b) and (c) shall be calculated based on the basic sliding fee average cost of care per family in the county with the highest cost in the most recently completed calendar year.

(e) Funds in excess of the amount necessary to serve all families in paragraphs (b) and (c) shall be allocated in proportion to each county's total expenditures for the basic sliding fee child care program reported during the most recent fiscal year completed at the time of the notice of allocation.

**Subd. 6a. Allocation due to increased funding.** When funding increases are implemented within a calendar year, every county must receive an allocation at least equal to its original allocation for the same time period. The remainder of the allocation must be recalculated to reflect the funding increase, according to formulas identified in subdivision 6.

**Subd. 6b. Allocation due to decreased funding.** When funding decreases are implemented within a calendar year, county allocations must be reduced in an amount proportionate to the reduction in the total allocation for the same time period. This applies when a funding decrease necessitates the revision of an existing calendar year allocation.

**Subd. 8. Guaranteed floor.** (a) Beginning January 1, 1996, each county's guaranteed floor shall equal 90 percent of the allocation received in the preceding calendar year. For the period January 1, 1999, to December 31, 1999, each county's guaranteed floor must be equal to its original calendar year 1998 allocation or its actual earnings for calendar year 1998, whichever is less.

(b) When the amount of funds available for allocation is less than the amount available in the previous year, each county's previous year allocation shall be reduced in proportion to the reduction in the statewide funding, for the purpose of establishing the guaranteed floor.

**169A.70 ALCOHOL SAFETY PROGRAMS; CHEMICAL USE ASSESSMENTS.**

**Subd. 6. Method of assessment.** (a) As used in this subdivision, "collateral contact" means an oral or written communication initiated by an assessor for the purpose of gathering information from an individual or agency, other than the offender, to verify or supplement information provided by the offender during an assessment under this section. The term includes contacts with family members and criminal justice agencies.

(b) An assessment conducted under this section must include at least one personal interview with the offender designed to make a determination about the extent of the offender's past and present chemical and alcohol use or abuse. It must also include collateral contacts and a review of relevant records or reports regarding the offender including, but not limited to, police reports, arrest reports, driving records, chemical testing records, and test refusal records. If the offender has a probation officer, the officer must be the subject of a collateral contact under this subdivision. If an assessor is unable to make collateral contacts, the assessor shall specify why collateral contacts were not made.

#### **245G.22 OPIOID TREATMENT PROGRAMS.**

Subd. 19. **Placing authorities.** A program must provide certain notification and client-specific updates to placing authorities for a client who is enrolled in Minnesota health care programs. At the request of the placing authority, the program must provide client-specific updates, including but not limited to informing the placing authority of positive drug testings and changes in medications used for the treatment of opioid use disorder ordered for the client.

#### **254A.02 DEFINITIONS.**

Subd. 8a. **Placing authority.** "Placing authority" means a county, prepaid health plan, or tribal governing board governed by Minnesota Rules, parts 9530.6600 to 9530.6655.

#### **254A.16 RESPONSIBILITIES OF THE COMMISSIONER.**

Subd. 6. **Monitoring.** The commissioner shall gather and placing authorities shall provide information to measure compliance with Minnesota Rules, parts 9530.6600 to 9530.6655. The commissioner shall specify the format for data collection to facilitate tracking, aggregating, and using the information.

#### **254A.19 CHEMICAL USE ASSESSMENTS.**

Subd. 1a. **Emergency room patients.** A county may enter into a contract with a hospital to provide chemical use assessments under Minnesota Rules, parts 9530.6600 to 9530.6655, for patients admitted to an emergency room or inpatient hospital when:

- (1) an assessor is not available; and
- (2) detoxification services in the county are at full capacity.

Subd. 2. **Probation officer as contact.** When a chemical use assessment is required under Minnesota Rules, parts 9530.6600 to 9530.6655, for a person who is on probation or under other correctional supervision, the assessor, either orally or in writing, shall contact the person's probation officer to verify or supplement the information provided by the person.

Subd. 5. **Assessment via telehealth.** Notwithstanding Minnesota Rules, part 9530.6615, subpart 3, item A, a chemical use assessment may be conducted via telehealth as defined in section 256B.0625, subdivision 3b.

#### **254B.04 ELIGIBILITY FOR BEHAVIORAL HEALTH FUND SERVICES.**

Subd. 2b. **Eligibility for placement in opioid treatment programs.** Prior to placement of an individual who is determined by the assessor to require treatment for opioid addiction, the assessor must provide educational information concerning treatment options for opioid addiction, including the use of a medication for the use of opioid addiction. The commissioner shall develop educational materials supported by research and updated periodically that must be used by assessors to comply with this requirement.

Subd. 2c. **Eligibility to receive peer recovery support and treatment service coordination.** Notwithstanding Minnesota Rules, part 9530.6620, subpart 6, a placing authority may authorize peer recovery support and treatment service coordination for a person who scores a severity of one or more in dimension 4, 5, or 6, under Minnesota Rules, part 9530.6622. Authorization for peer recovery support and treatment service coordination under this subdivision does not need to be provided in conjunction with treatment services under Minnesota Rules, part 9530.6622, subpart 4, 5, or 6.

#### **254B.041 CHEMICAL DEPENDENCY RULES.**

Subd. 2. **Vendor collections; rule amendment.** The commissioner may amend Minnesota Rules, parts 9530.7000 to 9530.7025, to require a vendor of chemical dependency transitional and extended care rehabilitation services to collect the cost of care received under a program from an

eligible person who has been determined to be partially responsible for treatment costs, and to remit the collections to the commissioner. The commissioner shall pay to a vendor, for the collections, an amount equal to five percent of the collections remitted to the commissioner by the vendor.

**256J.08 DEFINITIONS.**

Subd. 10. **Budget month.** "Budget month" means the calendar month which the county agency uses to determine the income or circumstances of an assistance unit to calculate the amount of the assistance payment in the payment month.

Subd. 53. **Lump sum.** "Lump sum" means nonrecurring income as described in section 256P.06, subdivision 3, clause (2), item (ix).

Subd. 61. **Monthly income test.** "Monthly income test" means the test used to determine ongoing eligibility and the assistance payment amount according to section 256J.21.

Subd. 62. **Nonrecurring income.** "Nonrecurring income" means a form of income which is received:

(1) only one time or is not of a continuous nature; or

(2) in a prospective payment month but is no longer received in the corresponding retrospective payment month.

Subd. 81. **Retrospective budgeting.** "Retrospective budgeting" means a method of determining the amount of the assistance payment in which the payment month is the second month after the budget month.

Subd. 83. **Significant change.** "Significant change" means a decline in gross income of the amount of the disregard as defined in section 256P.03 or more from the income used to determine the grant for the current month.

**256J.30 APPLICANT AND PARTICIPANT REQUIREMENTS AND RESPONSIBILITIES.**

Subd. 5. **Monthly MFIP household reports.** Each assistance unit with a member who has earned income or a recent work history, and each assistance unit that has income deemed to it from a financially responsible person must complete a monthly MFIP household report form. "Recent work history" means the individual received earned income in the report month or any of the previous three calendar months even if the earnings are excluded. To be complete, the MFIP household report form must be signed and dated by the caregivers no earlier than the last day of the reporting period. All questions required to determine assistance payment eligibility must be answered, and documentation of earned income must be included.

Subd. 7. **Due date of MFIP household report form.** An MFIP household report form must be received by the county agency by the eighth calendar day of the month following the reporting period covered by the form. When the eighth calendar day of the month falls on a weekend or holiday, the MFIP household report form must be received by the county agency the first working day that follows the eighth calendar day.

Subd. 8. **Late MFIP household report forms.** (a) Paragraphs (b) to (e) apply to the reporting requirements in subdivision 7.

(b) When the county agency receives an incomplete MFIP household report form, the county agency must immediately contact the caregiver by phone or in writing to acquire the necessary information to complete the form.

(c) The automated eligibility system must send a notice of proposed termination of assistance to the assistance unit if a complete MFIP household report form is not received by a county agency. The automated notice must be mailed to the caregiver by approximately the 16th of the month. When a caregiver submits an incomplete form on or after the date a notice of proposed termination has been sent, the termination is valid unless the caregiver submits a complete form before the end of the month.

(d) An assistance unit required to submit an MFIP household report form is considered to have continued its application for assistance if a complete MFIP household report form is received within a calendar month after the month in which the form was due and assistance shall be paid for the period beginning with the first day of that calendar month.

(e) A county agency must allow good cause exemptions from the reporting requirements under subdivision 5 when any of the following factors cause a caregiver to fail to provide the county agency with a completed MFIP household report form before the end of the month in which the form is due:

- (1) an employer delays completion of employment verification;
- (2) a county agency does not help a caregiver complete the MFIP household report form when the caregiver asks for help;
- (3) a caregiver does not receive an MFIP household report form due to mistake on the part of the department or the county agency or due to a reported change in address;
- (4) a caregiver is ill, or physically or mentally incapacitated; or
- (5) some other circumstance occurs that a caregiver could not avoid with reasonable care which prevents the caregiver from providing a completed MFIP household report form before the end of the month in which the form is due.

### **256J.33 PROSPECTIVE AND RETROSPECTIVE MFIP ELIGIBILITY.**

Subd. 3. **Retrospective eligibility.** After the first two months of MFIP eligibility, a county agency must continue to determine whether an assistance unit is prospectively eligible for the payment month by looking at all factors other than income and then determine whether the assistance unit is retrospectively income eligible by applying the monthly income test to the income from the budget month. When the monthly income test is not satisfied, the assistance payment must be suspended when ineligibility exists for one month or ended when ineligibility exists for more than one month.

Subd. 4. **Monthly income test.** A county agency must apply the monthly income test retrospectively for each month of MFIP eligibility. An assistance unit is not eligible when the countable income equals or exceeds the MFIP standard of need or the family wage level for the assistance unit. The income applied against the monthly income test must include:

- (1) gross earned income from employment as described in chapter 256P, prior to mandatory payroll deductions, voluntary payroll deductions, wage authorizations, and after the disregards in section 256J.21, subdivision 4, and the allocations in section 256J.36;
- (2) gross earned income from self-employment less deductions for self-employment expenses in section 256J.37, subdivision 5, but prior to any reductions for personal or business state and federal income taxes, personal FICA, personal health and life insurance, and after the disregards in section 256J.21, subdivision 4, and the allocations in section 256J.36;
- (3) unearned income as described in section 256P.06, subdivision 3, after deductions for allowable expenses in section 256J.37, subdivision 9, and allocations in section 256J.36;
- (4) gross earned income from employment as determined under clause (1) which is received by a member of an assistance unit who is a minor child or minor caregiver and less than a half-time student;
- (5) child support received by an assistance unit, excluded under section 256P.06, subdivision 3, clause (2), item (xvi);
- (6) spousal support received by an assistance unit;
- (7) the income of a parent when that parent is not included in the assistance unit;
- (8) the income of an eligible relative and spouse who seek to be included in the assistance unit; and
- (9) the unearned income of a minor child included in the assistance unit.

Subd. 5. **When to terminate assistance.** When an assistance unit is ineligible for MFIP assistance for two consecutive months, the county agency must terminate MFIP assistance.

### **256J.34 CALCULATING ASSISTANCE PAYMENTS.**

Subdivision 1. **Prospective budgeting.** A county agency must use prospective budgeting to calculate the assistance payment amount for the first two months for an applicant who has not received assistance in this state for at least one payment month preceding the first month of payment under a current application. Notwithstanding subdivision 3, paragraph (a), clause (2), a county

APPENDIX  
Repealed Minnesota Statutes: 22-05640

agency must use prospective budgeting for the first two months for a person who applies to be added to an assistance unit. Prospective budgeting is not subject to overpayments or underpayments unless fraud is determined under section 256.98.

(a) The county agency must apply the income received or anticipated in the first month of MFIP eligibility against the need of the first month. The county agency must apply the income received or anticipated in the second month against the need of the second month.

(b) When the assistance payment for any part of the first two months is based on anticipated income, the county agency must base the initial assistance payment amount on the information available at the time the initial assistance payment is made.

(c) The county agency must determine the assistance payment amount for the first two months of MFIP eligibility by budgeting both recurring and nonrecurring income for those two months.

**Subd. 2. Retrospective budgeting.** The county agency must use retrospective budgeting to calculate the monthly assistance payment amount after the payment for the first two months has been made under subdivision 1.

**Subd. 3. Additional uses of retrospective budgeting.** Notwithstanding subdivision 1, the county agency must use retrospective budgeting to calculate the monthly assistance payment amount for the first two months under paragraphs (a) and (b).

(a) The county agency must use retrospective budgeting to determine the amount of the assistance payment in the first two months of MFIP eligibility:

(1) when an assistance unit applies for assistance for the same month for which assistance has been interrupted, the interruption in eligibility is less than one payment month, the assistance payment for the preceding month was issued in this state, and the assistance payment for the immediately preceding month was determined retrospectively; or

(2) when a person applies in order to be added to an assistance unit, that assistance unit has received assistance in this state for at least the two preceding months, and that person has been living with and has been financially responsible for one or more members of that assistance unit for at least the two preceding months.

(b) Except as provided in clauses (1) to (4), the county agency must use retrospective budgeting and apply income received in the budget month by an assistance unit and by a financially responsible household member who is not included in the assistance unit against the MFIP standard of need or family wage level to determine the assistance payment to be issued for the payment month.

(1) When a source of income ends prior to the third payment month, that income is not considered in calculating the assistance payment for that month. When a source of income ends prior to the fourth payment month, that income is not considered when determining the assistance payment for that month.

(2) When a member of an assistance unit or a financially responsible household member leaves the household of the assistance unit, the income of that departed household member is not budgeted retrospectively for any full payment month in which that household member does not live with that household and is not included in the assistance unit.

(3) When an individual is removed from an assistance unit because the individual is no longer a minor child, the income of that individual is not budgeted retrospectively for payment months in which that individual is not a member of the assistance unit, except that income of an ineligible child in the household must continue to be budgeted retrospectively against the child's needs when the parent or parents of that child request allocation of their income against any unmet needs of that ineligible child.

(4) When a person ceases to have financial responsibility for one or more members of an assistance unit, the income of that person is not budgeted retrospectively for the payment months which follow the month in which financial responsibility ends.

**Subd. 4. Significant change in gross income.** The county agency must recalculate the assistance payment when an assistance unit experiences a significant change, as defined in section 256J.08, resulting in a reduction in the gross income received in the payment month from the gross income received in the budget month. The county agency must issue a supplemental assistance payment based on the county agency's best estimate of the assistance unit's income and circumstances for the payment month. Supplemental assistance payments that result from significant changes are limited to two in a 12-month period regardless of the reason for the change. Notwithstanding any

other statute or rule of law, supplementary assistance payments shall not be made when the significant change in income is the result of receipt of a lump sum, receipt of an extra paycheck, business fluctuation in self-employment income, or an assistance unit member's participation in a strike or other labor action.

**256J.37 TREATMENT OF INCOME AND LUMP SUMS.**

Subd. 10. **Treatment of lump sums.** (a) The agency must treat lump-sum payments as earned or unearned income. If the lump-sum payment is included in the category of income identified in subdivision 9, it must be treated as unearned income. A lump sum is counted as income in the month received and budgeted either prospectively or retrospectively depending on the budget cycle at the time of receipt. When an individual receives a lump-sum payment, that lump sum must be combined with all other earned and unearned income received in the same budget month, and it must be applied according to paragraphs (a) to (c). A lump sum may not be carried over into subsequent months. Any funds that remain in the third month after the month of receipt are counted in the asset limit.

(b) For a lump sum received by an applicant during the first two months, prospective budgeting is used to determine the payment and the lump sum must be combined with other earned or unearned income received and budgeted in that prospective month.

(c) For a lump sum received by a participant after the first two months of MFIP eligibility, the lump sum must be combined with other income received in that budget month, and the combined amount must be applied retrospectively against the applicable payment month.

(d) When a lump sum, combined with other income under paragraphs (b) and (c), is less than the MFIP transitional standard for the appropriate payment month, the assistance payment must be reduced according to the amount of the countable income. When the countable income is greater than the MFIP standard or family wage level, the assistance payment must be suspended for the payment month.

**9530.7000 DEFINITIONS.**

Subpart 1. **Scope.** For the purposes of parts 9530.7000 to 9530.7030, the following terms have the meanings given them.

Subp. 2. **Chemical.** "Chemical" means alcohol, solvents, and other mood altering substances, including controlled substances as defined in Minnesota Statutes, chapter 152.

Subp. 5. **Chemical dependency treatment services.** "Chemical dependency treatment services" means services provided by chemical dependency treatment programs licensed according to Minnesota Statutes, chapter 245G, or certified according to parts 2960.0450 to 2960.0490.

Subp. 6. **Client.** "Client" means an individual who has requested chemical abuse or dependency services, or for whom chemical abuse or dependency services have been requested, from a local agency.

Subp. 7. **Commissioner.** "Commissioner" means the commissioner of the Minnesota Department of Human Services or the commissioner's designated representative.

Subp. 8. **Behavioral health fund.** "Behavioral health fund" means money appropriated for payment of chemical dependency treatment services under Minnesota Statutes, chapter 254B.

Subp. 9. **Copayment.** "Copayment" means the amount an insured person is obligated to pay before the person's third-party payment source is obligated to make a payment, or the amount an insured person is obligated to pay in addition to the amount the person's third-party payment source is obligated to pay.

Subp. 10. **Drug and Alcohol Abuse Normative Evaluation System or DAANES.** "Drug and Alcohol Abuse Normative Evaluation System" or "DAANES" means the client information system operated by the department's Chemical Dependency Program Division.

Subp. 11. **Department.** "Department" means the Minnesota Department of Human Services.

Subp. 13. **Income.** "Income" means the total amount of cash received by an individual from the following sources:

- A. cash payments for wages or salaries;
- B. cash receipts from nonfarm or farm self-employment, minus deductions allowed by the federal Internal Revenue Service for business or farm expenses;
- C. regular cash payments from social security, railroad retirement, unemployment compensation, workers' union funds, veterans' benefits, the Minnesota family investment program, Supplemental Security Income, General Assistance, training stipends, alimony, child support, and military family allotments;
- D. cash payments from private pensions, government employee pensions, and regular insurance or annuity payments;
- E. cash payments for dividends, interest, rents, or royalties; and
- F. periodic cash receipts from estates or trusts.

Income does not include capital gains; any cash assets drawn down as withdrawals from a bank, the sale of property, a house, or a car; tax refunds, gifts, lump sum inheritances, one time insurance payments, or compensation for injury; court-ordered child support or health insurance premium payments made by the client or responsible relative; and noncash benefits such as health insurance, food or rent received in lieu of wages, and noncash benefits from programs such as Medicare, Medical Assistance, the Supplemental Nutrition Assistance Program, school lunches, and housing assistance. Annual income is the amount reported and verified by an individual as current income calculated prospectively to cover one year.

Subp. 14. **Local agency.** "Local agency" means the county or multicounty agency authorized under Minnesota Statutes, sections 254B.01, subdivision 5, and 254B.03, subdivision 1, to make placements under the behavioral health fund.

Subp. 15. **Minor child.** "Minor child" means an individual under the age of 18 years.

Subp. 17a. **Policyholder.** "Policyholder" means a person who has a third-party payment policy under which a third-party payment source has an obligation to pay all or part of a client's treatment costs.

Subp. 19. **Responsible relative.** "Responsible relative" means a person who is a member of the client's household and is a client's spouse or the parent of a minor child who is a client.

Subp. 20. **Third-party payment source.** "Third-party payment source" means a person, entity, or public or private agency other than medical assistance or general assistance medical care that has a probable obligation to pay all or part of the costs of a client's chemical dependency treatment.

Subp. 21. **Vendor.** "Vendor" means a licensed provider of chemical dependency treatment services that meets the criteria established in Minnesota Statutes, section 254B.05, and that has applied according to part 9505.0195 to participate as a provider in the medical assistance program.

#### **9530.7005 SCOPE AND APPLICABILITY.**

Parts 9530.7000 to 9530.7030 govern the administration of the behavioral health fund, establish the criteria to be applied by local agencies to determine a client's eligibility under the behavioral health fund, and establish a client's obligation to pay for chemical dependency treatment services.

These parts must be read in conjunction with Minnesota Statutes, chapter 254B, and parts 9530.6600 to 9530.6655.

#### **9530.7010 COUNTY RESPONSIBILITY TO PROVIDE SERVICES.**

The local agency shall provide chemical dependency treatment services to eligible clients who have been assessed and placed by the county according to parts 9530.6600 to 9530.6655 and Minnesota Statutes, chapter 256G.

#### **9530.7012 VENDOR AGREEMENTS.**

When a local agency enters into an agreement with a vendor of chemical dependency treatment services, the agreement must distinguish client per unit room and board costs from per unit chemical dependency treatment services costs.

For purposes of this part, "chemical dependency treatment services costs" are costs, including related administrative costs, of services that meet the criteria in items A to C:

A. The services are provided within a program licensed according to Minnesota Statutes, chapter 245G, or certified according to parts 2960.0430 to 2960.0490.

B. The services meet the definition of chemical dependency services in Minnesota Statutes, section 254B.01, subdivision 3.

C. The services meet the applicable service standards for licensed chemical dependency treatment programs in item A, but are not under the jurisdiction of the commissioner.

This part also applies to vendors of room and board services that are provided concurrently with chemical dependency treatment services according to Minnesota Statutes, sections 254B.03, subdivision 2, and 254B.05, subdivision 1.



This part does not apply when a county contracts for chemical dependency services in an acute care inpatient hospital licensed by the Department of Health under chapter 4640.

**9530.7015 CLIENT ELIGIBILITY; BEHAVIORAL HEALTH FUND.**

Subpart 1. **Client eligibility to have treatment totally paid under the behavioral health fund.** A client who meets the criteria established in item A, B, C, or D shall be eligible to have chemical dependency treatment paid for totally with funds from the behavioral health fund.

A. The client is eligible for MFIP as determined under Minnesota Statutes, chapter 256J.

B. The client is eligible for medical assistance as determined under parts 9505.0010 to 9505.0140.

C. The client is eligible for general assistance, general assistance medical care, or work readiness as determined under parts 9500.1200 to 9500.1272.

D. The client's income is within current household size and income guidelines for entitled persons, as defined in Minnesota Statutes, section 254B.04, subdivision 1, and as determined by the local agency under part 9530.7020, subpart 1.

Subp. 2a. **Third-party payment source and client eligibility for the behavioral health fund.** Clients who meet the financial eligibility requirement in subpart 1 and who have a third-party payment source are eligible for the behavioral health fund if the third party payment source pays less than 100 percent of the treatment services determined according to parts 9530.6600 to 9530.6655.

Subp. 4. **Client ineligible to have treatment paid for from the behavioral health fund.** A client who meets the criteria in item A or B shall be ineligible to have chemical dependency treatment services paid for with behavioral health funds.

A. The client has an income that exceeds current household size and income guidelines for entitled persons as defined in Minnesota Statutes, section 254B.04, subdivision 1, and as determined by the local agency under part 9530.7020, subpart 1.

B. The client has an available third-party payment source that will pay the total cost of the client's treatment.

Subp. 5. **Eligibility of clients disenrolled from prepaid health plans.** A client who is disenrolled from a state prepaid health plan during a treatment episode is eligible for continued treatment service that is paid for by the behavioral health fund, until the treatment episode is completed or the client is re-enrolled in a state prepaid health plan if the client meets the criteria in item A or B. The client must:

A. continue to be enrolled in MinnesotaCare, medical assistance, or general assistance medical care; or

B. be eligible according to subparts 1 and 2a and be determined eligible by a local agency under part 9530.7020.

Subp. 6. **County responsibility.** When a county commits a client under Minnesota Statutes, chapter 253B, to a regional treatment center for chemical dependency treatment services and the client is ineligible for the behavioral health fund, the county is responsible for the payment to the regional treatment center according to Minnesota Statutes, section 254B.05, subdivision 4.

**9530.7020 LOCAL AGENCY TO DETERMINE CLIENT ELIGIBILITY.**

Subpart 1. **Local agency duty to determine client eligibility.** The local agency shall determine a client's eligibility for the behavioral health fund at the time the client is assessed under parts 9530.6600 to 9530.6655. Client eligibility must be determined using forms

APPENDIX  
Repealed Minnesota Rules: 22-05640

prescribed by the department. To determine a client's eligibility, the local agency must determine the client's income, the size of the client's household, the availability of a third-party payment source, and a responsible relative's ability to pay for the client's chemical dependency treatment, as specified in items A to C.

A. The local agency must determine the client's income. A client who is a minor child shall not be deemed to have income available to pay for chemical dependency treatment, unless the minor child is responsible for payment under Minnesota Statutes, section 144.347, for chemical dependency treatment services sought under Minnesota Statutes, section 144.343, subdivision 1.

B. The local agency must determine the client's household size according to subitems (1), (2), and (3).

(1) If the client is a minor child, the household size includes the following persons living in the same dwelling unit:

- (a) the client;
- (b) the client's birth or adoptive parents; and
- (c) the client's siblings who are minors.

(2) If the client is an adult, the household size includes the following persons living in the same dwelling unit:

- (a) the client;
- (b) the client's spouse;
- (c) the client's minor children; and
- (d) the client's spouse's minor children.

(3) For purposes of this item, household size includes a person listed in subitems (1) and (2) who is in out-of-home placement if a person listed in subitem (1) or (2) is contributing to the cost of care of the person in out-of-home placement.

C. The local agency must determine the client's current prepaid health plan enrollment, the availability of a third-party payment source, including the availability of total payment, partial payment, and amount of copayment.

D. The local agency must provide the required eligibility information to the department in the manner specified by the department.

E. The local agency shall require the client and policyholder to conditionally assign to the department the client and policyholder's rights and the rights of minor children to benefits or services provided to the client if the department is required to collect from a third-party pay source.

Subp. 1a. **Redetermination of client eligibility.** The local agency shall redetermine a client's eligibility for CCDTF every six months after the initial eligibility determination, if the client has continued to receive uninterrupted chemical dependency treatment services for that six months. For purposes of this subpart, placement of a client into more than one chemical dependency treatment program in less than ten working days, or placement of a client into a residential chemical dependency treatment program followed by nonresidential chemical dependency treatment services shall be treated as a single placement.

Subp. 2. **Client, responsible relative, and policyholder obligation to cooperate.** A client, responsible relative, and policyholder shall provide income or wage verification, household size verification, and shall make an assignment of third-party payment rights under subpart 1, item C. If a client, responsible relative, or policyholder does not comply with the provisions of this subpart, the client shall be deemed to be ineligible to have the behavioral health fund pay for his or her chemical dependency treatment, and the client and

responsible relative shall be obligated to pay for the full cost of chemical dependency treatment services provided to the client.

**9530.7021 PAYMENT AGREEMENTS.**

When the local agency, the client, and the vendor agree that the vendor will accept payment from a third-party payment source for an eligible client's treatment, the local agency, the client, and the vendor shall enter into a third-party payment agreement. The agreement must stipulate that the vendor will accept, as payment in full for services provided to the client, the amount the third-party payor is obligated to pay for services provided to the client. The agreement must be executed in a form prescribed by the commissioner and is not effective unless an authorized representative of each of the three parties has signed it. The local agency shall maintain a record of third-party payment agreements into which the local agency has entered.

The vendor shall notify the local agency as soon as possible and not less than one business day before discharging a client whose treatment is covered by a payment agreement under this part if the discharge is caused by disruption of the third-party payment.

**9530.7022 CLIENT FEES.**

Subpart 1. **Income and household size criteria.** A client whose household income is within current household size and income guidelines for entitled persons as defined in Minnesota Statutes, section 254B.04, subdivision 1, shall pay no fee.

**9530.7025 DENIAL OF PAYMENT.**

Subpart 1. **Denial of payment when required assessment not completed.** The department shall deny payments from the behavioral health fund to vendors for chemical dependency treatment services provided to clients who have not been assessed and placed by the county in accordance with parts 9530.6600 to 9530.6655.

Subp. 2. **Denial of state participation in behavioral health fund payments when client found not eligible.** The department shall pay vendors from the behavioral health fund for chemical dependency treatment services provided to clients and shall bill the county for 100 percent of the costs of chemical dependency treatment services as follows:

A. The department shall bill the county for 100 percent of the costs of a client's chemical dependency treatment services when the department determines that the client was not placed in accordance with parts 9530.6600 to 9530.6655.

B. When a county's allocation under Minnesota Statutes, section 254B.02, subdivisions 1 and 2, has been exhausted, and the county's maintenance of effort has been met as required under Minnesota Statutes, section 254B.02, subdivision 3, and the local agency has been notified by the department that the only clients who are eligible to have their treatment paid for from the behavioral health fund are clients who are eligible under part 9530.7015, subpart 1, the department shall bill the county for 100 percent of the costs of a client's chemical dependency treatment services when the department determines that the client was not eligible under part 9530.7015, subpart 1.

**9530.7030 VENDOR MUST PARTICIPATE IN DAANES SYSTEM.**

Subpart 1. **Participation a condition of eligibility.** To be eligible for payment under the behavioral health fund, a vendor must participate in the Drug and Alcohol Normative Evaluation System (DAANES) or submit to the commissioner the information required in DAANES in the format specified by the commissioner.