Senator ..... moves to amend the delete-everything amendment (SCS4165A-2) to S.F. No. 4165 as follows:

Page 14, after line 32, insert:

"Sec. 6. Minnesota Statutes 2020, section 62N.25, subdivision 5, is amended to read:

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

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

Sec. 7. Minnesota Statutes 2020, section 62Q.1055, is amended to read:

62Q.1055 CHEMICAL DEPENDENCY.

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

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

Sec. 8. Minnesota Statutes 2020, section 62Q.47, is amended to read:

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

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

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

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

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

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

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

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

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

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

(2) identify any enforcement actions taken by either commissioner during the preceding 12-month period regarding compliance with parity for mental health and substance use disorders benefits under state and federal law, summarizing the results of any market conduct examinations. The summary must include: (i) the number of formal enforcement actions taken; (ii) the benefit classifications examined in each enforcement action; and (iii) the subject matter of each enforcement action, including quantitative and nonquantitative treatment limitations;

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

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

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

EFFECTIVE DATE. This section is effective July 1, 2022."

Page 15, after line 32, insert:

"Sec. 10. Minnesota Statutes 2020, section 169A.70, subdivision 3, is amended to read:

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

(b) The assessment report must include:

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

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

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

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

(5) recommendations for other appropriate remedial action or care, including aftercare services in section 254B.01, subdivision 3, that may consist of educational programs, one-on-one counseling, a program or type of treatment that addresses mental health concerns, or a combination of them; and

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

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

Sec. 11. Minnesota Statutes 2020, section 169A.70, subdivision 4, is amended to read:

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

EFFECTIVE DATE. This section is effective July 1, 2022."

Page 21, after line 12, insert:

"Sec. 18. Minnesota Statutes 2020, section 245F.03, is amended to read:

245F.03 APPLICATION.

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

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

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

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

Sec. 19. Minnesota Statutes 2020, section 245G.05, subdivision 2, is amended to read:

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

(b) An assessment summary must include:

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

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

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

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

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

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

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

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

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

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

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

Sec. 20. Minnesota Statutes 2020, section 245G.22, subdivision 2, is amended to read:

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

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

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

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

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

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

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

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

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

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

EFFECTIVE DATE. This section is effective July 1, 2022."

Page 31, delete section 24 and insert:

"Sec. 32. Minnesota Statutes 2021 Supplement, section 254A.03, subdivision 3, is amended to read:

Subd. 3. **Rules for substance use disorder care.** (a) ~~The commissioner of human services shall establish by rule criteria to be used in determining the appropriate level of chemical dependency care for each recipient of public assistance seeking treatment for substance misuse or substance use disorder. Upon federal approval of a comprehensive assessment as a Medicaid benefit, or on July 1, 2018, whichever is later, and notwithstanding the criteria in Minnesota Rules, parts 9530.6600 to 9530.6655,~~ An eligible vendor of comprehensive assessments under section 254B.05 may determine ~~and approve~~ the appropriate level of substance use disorder treatment for a recipient of public assistance. ~~The process for determining an individual's financial eligibility for the behavioral health fund or determining an individual's enrollment in or eligibility for a publicly subsidized health plan is not affected by the individual's choice to access a comprehensive assessment for placement.~~

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

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

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

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

Sec. 33. Minnesota Statutes 2020, section 254A.19, subdivision 1, is amended to read:

Subdivision 1. **Persons arrested outside of ~~home county~~ county of residence.** When a chemical use assessment is required ~~under Minnesota Rules, parts 9530.6600 to 9530.6655,~~ for a person who is arrested and taken into custody by a peace officer outside of the person's county of residence, the ~~assessment must be completed by the person's county of residence no later than three weeks after the assessment is initially requested. If the assessment is not performed within this time limit, the county where the person is to be sentenced shall perform the assessment~~ county where the person is detained must facilitate access to an assessor

qualified under subdivision 3. The county of financial responsibility is determined under chapter 256G.

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

Sec. 34. Minnesota Statutes 2020, section 254A.19, subdivision 3, is amended to read:

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

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

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

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

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

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

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

~~(d)~~ An eligible vendor under section 254B.05 conducting a comprehensive assessment for an individual seeking treatment shall approve the nature, intensity level, and duration of treatment service if a need for services is indicated, but the individual assessed can access any enrolled provider that is licensed to provide the level of service authorized, including the provider or program that completed the assessment. If an individual is enrolled in a prepaid health plan, the individual must comply with any provider network requirements

or limitations. An eligible vendor of a comprehensive assessment must provide information, in a format provided by the commissioner, on medical assistance and the behavioral health fund to individuals seeking an assessment.

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

Sec. 35. Minnesota Statutes 2021 Supplement, section 254A.19, subdivision 4, is amended to read:

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

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

Sec. 36. Minnesota Statutes 2020, section 254A.19, is amended by adding a subdivision to read:

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

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

Sec. 37. Minnesota Statutes 2020, section 254A.19, is amended by adding a subdivision to read:

Subd. 7. **Assessments for children's residential facilities.** For children's residential facilities licensed under chapter 245A according to Minnesota Rules, parts 2960.0010 to 2960.0220 and 2960.0430 to 2960.0500, a "chemical use assessment" means a comprehensive assessment and assessment summary completed according to section 245G.05 by an individual who meets the qualifications of section 245G.11, subdivisions 1 and 5.

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

Sec. 38. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

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

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

Sec. 39. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

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

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

Sec. 40. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

Subd. 2c. **Co-payment.** "Co-payment" 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.

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

Sec. 41. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

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

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

Sec. 42. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

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

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

Sec. 43. Minnesota Statutes 2020, section 254B.01, subdivision 5, is amended to read:

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

Sec. 44. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

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

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

Sec. 45. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

Subd. 6b. **Policy holder.** "Policy holder" 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.

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

Sec. 46. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

Subd. 9. **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.

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

Sec. 47. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

Subd. 10. **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 substance use disorder treatment.

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

Sec. 48. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

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

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

Sec. 49. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

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

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

Sec. 50. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

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

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

Sec. 51. Minnesota Statutes 2020, section 254B.03, subdivision 1, is amended to read:

Subdivision 1. **Local agency duties.** (a) Every local agency ~~shall~~ must determine financial eligibility for substance use disorder services and provide ~~chemical dependency~~ substance use disorder services to persons residing within its jurisdiction who meet criteria established by the commissioner ~~for placement in a chemical dependency residential or nonresidential treatment service~~. Chemical dependency money must be administered by the local agencies according to law and rules adopted by the commissioner under sections 14.001 to 14.69.

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

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

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

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

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

Sec. 52. Minnesota Statutes 2021 Supplement, section 254B.03, subdivision 2, is amended to read:

Subd. 2. **Behavioral health fund payment.** (a) Payment from the behavioral health fund is limited to payments for services identified in section 254B.05, other than detoxification licensed under Minnesota Rules, parts 9530.6510 to 9530.6590, and detoxification provided in another state that would be required to be licensed as a chemical dependency program if the program were in the state. Out of state vendors must also provide the commissioner with assurances that the program complies substantially with state licensing requirements and possesses all licenses and certifications required by the host state to provide chemical dependency treatment. Vendors receiving payments from the behavioral health fund must not require co-payment from a recipient of benefits for services provided under this subdivision. The vendor is prohibited from using the client's public benefits to offset the cost of services paid under this section. The vendor shall not require the client to use public benefits for room or board costs. This includes but is not limited to cash assistance

benefits under chapters 119B, 256D, and 256J, or SNAP benefits. Retention of SNAP benefits is a right of a client receiving services through the behavioral health fund or through state contracted managed care entities. Payment from the behavioral health fund shall be made for necessary room and board costs provided by vendors meeting the criteria under section 254B.05, subdivision 1a, or in a community hospital licensed by the commissioner of health according to sections 144.50 to 144.56 to a client who is:

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

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

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

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

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

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

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

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

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

Sec. 53. Minnesota Statutes 2020, section 254B.03, subdivision 5, is amended to read:

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

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

Sec. 54. Minnesota Statutes 2021 Supplement, section 254B.04, subdivision 1, is amended to read:

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

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

(c) Notwithstanding paragraph (a), persons enrolled in medical assistance are eligible for room and board services under section 254B.05, subdivision 5, paragraph (b), clause ~~(12)~~ (11).

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

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

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

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

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

(e) Clients who meet the financial eligibility requirement in paragraph (a) 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 cost of treatment services for eligible clients.

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

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

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

(g) A client who is disenrolled from a state prepaid health plan during a treatment episode is eligible for continued treatment service 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:

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

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

(h) If a county commits a client under chapter 253B to a regional treatment center for substance use disorder services and the client is ineligible for the behavioral health fund, the county is responsible for payment to the regional treatment center according to section 254B.05, subdivision 4.

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

Sec. 55. Minnesota Statutes 2020, section 254B.04, subdivision 2a, is amended to read:

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

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

Sec. 56. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision to read:

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

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

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

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

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

(4) "3" The client tolerates and copes with withdrawal discomfort poorly. The client has severe intoxication, such that the client endangers self or others, or has intoxication that has not abated with less intensive services. The client displays severe signs and symptoms, risk

of severe but manageable withdrawal, or worsening withdrawal despite detoxification at a less intensive level.

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

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

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

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

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

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

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

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

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

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

(3) "2" The client has difficulty with impulse control and lacks coping skills. The client has thoughts of suicide or harm to others without means; however, the thoughts may interfere with participation in some activities. The client has difficulty functioning in significant life areas. The client has moderate symptoms of emotional, behavioral, or cognitive problems. The client is able to participate in most treatment activities.

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

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

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

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

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

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

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

(5) "4" The client is:

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

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

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

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

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

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

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

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

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

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

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

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

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

(5) "4" The client has:

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

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

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

Sec. 57. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision to read:

Subd. 5. **Scope and applicability.** This section governs administration of the behavioral health fund, establishes the criteria to be applied by local agencies to determine a client's

financial eligibility under the behavioral health fund, and determines a client's obligation to pay for substance use disorder treatment services.

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

Sec. 58. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision to read:

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

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

Sec. 59. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision to read:

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

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

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

(i) 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.

(ii) 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.

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

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

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

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

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

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

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

Sec. 60. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision to read:

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

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

Sec. 61. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision to read:

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

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

Sec. 62. Minnesota Statutes 2021 Supplement, section 254B.05, subdivision 4, is amended to read:

Subd. 4. **Regional treatment centers.** Regional treatment center chemical dependency treatment units are eligible vendors. The commissioner may expand the capacity of chemical dependency treatment units beyond the capacity funded by direct legislative appropriation to serve individuals who are referred for treatment by counties and whose treatment will be paid for by funding under this chapter or other funding sources. Notwithstanding the provisions of sections 254B.03 to ~~254B.041~~ 254B.04, payment for any person committed at county request to a regional treatment center under chapter 253B for chemical dependency treatment and determined to be ineligible under the behavioral health fund, shall become the responsibility of the county.

Sec. 63. Minnesota Statutes 2021 Supplement, section 254B.05, subdivision 5, is amended to read:

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

(b) Eligible substance use disorder treatment services include:

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

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

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

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

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

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

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

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

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

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

~~(8)~~ (7) high, medium, and low intensity residential treatment services that are licensed according to sections 245G.01 to 245G.17 and 245G.21 or applicable tribal license which provide, respectively, 30, 15, and five hours of clinical services each week;

~~(9)~~ (8) hospital-based treatment services that are licensed according to sections 245G.01 to 245G.17 or applicable tribal license and licensed as a hospital under sections 144.50 to 144.56;

~~(10)~~ (9) adolescent treatment programs that are licensed as outpatient treatment programs according to sections 245G.01 to 245G.18 or as residential treatment programs according to Minnesota Rules, parts 2960.0010 to 2960.0220, and 2960.0430 to 2960.0490, or applicable tribal license;

~~(11)~~ (10) high-intensity residential treatment services that are licensed according to sections 245G.01 to 245G.17 and 245G.21 or applicable tribal license, which provide 30 hours of clinical services each week provided by a state-operated vendor or to clients who have been civilly committed to the commissioner, present the most complex and difficult care needs, and are a potential threat to the community; and

~~(12)~~ (11) room and board facilities that meet the requirements of subdivision 1a.

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

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

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

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

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

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

(A) a child care center under Minnesota Rules, chapter 9503; or

(B) a family child care home under Minnesota Rules, chapter 9502;

(2) culturally specific or culturally responsive programs as defined in section 254B.01, subdivision 4a;

(3) disability responsive programs as defined in section 254B.01, subdivision 4b;

(4) programs that offer medical services delivered by appropriately credentialed health care staff in an amount equal to two hours per client per week if the medical needs of the client and the nature and provision of any medical services provided are documented in the client file; or

(5) programs that offer services to individuals with co-occurring mental health and chemical dependency problems if:

(i) the program meets the co-occurring requirements in section 245G.20;

(ii) 25 percent of the counseling staff are licensed mental health professionals~~, as defined in section 245.462, subdivision 18, clauses (1) to (6)~~ under section 245I.04, subdivision 2, or are students or licensing candidates under the supervision of a licensed alcohol and drug counselor supervisor and ~~licensed~~ mental health professional under section 245I.04, subdivision 2, except that no more than 50 percent of the mental health staff may be students or licensing candidates with time documented to be directly related to provisions of co-occurring services;

(iii) clients scoring positive on a standardized mental health screen receive a mental health diagnostic assessment within ten days of admission;

(iv) the program has standards for multidisciplinary case review that include a monthly review for each client that, at a minimum, includes a licensed mental health professional and licensed alcohol and drug counselor, and their involvement in the review is documented;

(v) family education is offered that addresses mental health and substance abuse disorders and the interaction between the two; and

(vi) co-occurring counseling staff shall receive eight hours of co-occurring disorder training annually.

(d) In order to be eligible for a higher rate under paragraph (c), clause (1), a program that provides arrangements for off-site child care must maintain current documentation at the chemical dependency facility of the child care provider's current licensure to provide child care services. Programs that provide child care according to paragraph (c), clause (1), must be deemed in compliance with the licensing requirements in section 245G.19.

(e) Adolescent residential programs that meet the requirements of Minnesota Rules, parts 2960.0430 to 2960.0490 and 2960.0580 to 2960.0690, are exempt from the requirements in paragraph (c), clause (4), items (i) to (iv).

(f) Subject to federal approval, substance use disorder services that are otherwise covered as direct face-to-face services may be provided via telehealth as defined in section 256B.0625, subdivision 3b. The use of telehealth to deliver services must be medically appropriate to the condition and needs of the person being served. Reimbursement shall be at the same rates and under the same conditions that would otherwise apply to direct face-to-face services.

(g) For the purpose of reimbursement under this section, substance use disorder treatment services provided in a group setting without a group participant maximum or maximum client to staff ratio under chapter 245G shall not exceed a client to staff ratio of 48 to one. At least one of the attending staff must meet the qualifications as established under this chapter for the type of treatment service provided. A recovery peer may not be included as part of the staff ratio.

(h) Payment for outpatient substance use disorder services that are licensed according to sections 245G.01 to 245G.17 is limited to six hours per day or 30 hours per week unless prior authorization of a greater number of hours is obtained from the commissioner.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained."

Page 44, after line 8, insert:

"Sec. 75. Minnesota Statutes 2020, section 256D.09, subdivision 2a, is amended to read:

Subd. 2a. **Vendor payments for drug dependent persons.** If, at the time of application or at any other time, there is a reasonable basis for questioning whether a person applying for or receiving financial assistance is drug dependent, as defined in section 254A.02, subdivision 5, the person shall be referred for a chemical health assessment, and only emergency assistance payments or general assistance vendor payments may be provided until the assessment is complete and the results of the assessment made available to the county agency. A reasonable basis for referring an individual for an assessment exists when:

(1) the person has required detoxification two or more times in the past 12 months;

(2) the person appears intoxicated at the county agency as indicated by two or more of the following:

(i) the odor of alcohol;

(ii) slurred speech;

(iii) disconjugate gaze;

(iv) impaired balance;

(v) difficulty remaining awake;

(vi) consumption of alcohol;

(vii) responding to sights or sounds that are not actually present;

(viii) extreme restlessness, fast speech, or unusual belligerence;

(3) the person has been involuntarily committed for drug dependency at least once in the past 12 months; or

(4) the person has received treatment, including domiciliary care, for drug abuse or dependency at least twice in the past 12 months.

The assessment and determination of drug dependency, if any, must be made by an assessor qualified under ~~Minnesota Rules, part 9530.6615, subpart 2~~ section 245G.11, subdivisions 1 and 5, to perform an assessment of chemical use. The county shall only provide emergency general assistance or vendor payments to an otherwise eligible applicant or recipient who is determined to be drug dependent, except up to 15 percent of the grant amount the person would otherwise receive may be paid in cash. Notwithstanding subdivision 1, the commissioner of human services shall also require county agencies to provide assistance only in the form of vendor payments to all eligible recipients who assert chemical

dependency as a basis for eligibility under section 256D.05, subdivision 1, paragraph (a), clauses (1) and (5).

The determination of drug dependency shall be reviewed at least every 12 months. If the county determines a recipient is no longer drug dependent, the county may cease vendor payments and provide the recipient payments in cash.

Sec. 76. Minnesota Statutes 2021 Supplement, section 256L.03, subdivision 2, is amended to read:

Subd. 2. **Alcohol and drug dependency.** Beginning July 1, 1993, covered health services shall include individual outpatient treatment of alcohol or drug dependency by a qualified health professional or outpatient program.

Persons who may need chemical dependency services under the provisions of this chapter ~~shall be assessed by a local agency~~ must be offered access by a local agency to a comprehensive assessment as defined under section ~~254B.01~~ 245G.05, and under the assessment provisions of section 254A.03, subdivision 3. A local agency or managed care plan under contract with the Department of Human Services must ~~place~~ offer services to a person in need of chemical dependency services ~~as provided in Minnesota Rules, parts 9530.6600 to 9530.6655~~ based on the recommendations of section 245G.05. Persons who are recipients of medical benefits under the provisions of this chapter and who are financially eligible for behavioral health fund services provided under the provisions of chapter 254B shall receive chemical dependency treatment services under the provisions of chapter 254B only if:

(1) they have exhausted the chemical dependency benefits offered under this chapter; or

(2) an assessment indicates that they need a level of care not provided under the provisions of this chapter.

Recipients of covered health services under the children's health plan, as provided in Minnesota Statutes 1990, section 256.936, and as amended by Laws 1991, chapter 292, article 4, section 17, and recipients of covered health services enrolled in the children's health plan or the MinnesotaCare program after October 1, 1992, pursuant to Laws 1992, chapter 549, article 4, sections 5 and 17, are eligible to receive alcohol and drug dependency benefits under this subdivision.

Sec. 77. Minnesota Statutes 2020, section 256L.12, subdivision 8, is amended to read:

Subd. 8. **Chemical dependency assessments.** The managed care plan shall be responsible for assessing the need and ~~placement for~~ provision of chemical dependency services according to criteria set forth in ~~Minnesota Rules, parts 9530.6600 to 9530.6655~~ section 245G.05."

Page 45, after line 28, insert:

"Sec. 81. Minnesota Statutes 2020, section 260B.157, subdivision 1, is amended to read:

Subdivision 1. **Investigation.** Upon request of the court the local social services agency or probation officer shall investigate the personal and family history and environment of any minor coming within the jurisdiction of the court under section 260B.101 and shall report its findings to the court. The court may order any minor coming within its jurisdiction to be examined by a duly qualified physician, psychiatrist, or psychologist appointed by the court.

The court shall order a chemical use assessment conducted when a child is (1) found to be delinquent for violating a provision of chapter 152, or for committing a felony-level violation of a provision of chapter 609 if the probation officer determines that alcohol or drug use was a contributing factor in the commission of the offense, or (2) alleged to be delinquent for violating a provision of chapter 152, if the child is being held in custody under a detention order. The assessor's qualifications must comply with section 245G.11, subdivisions 1 and 5, and the assessment criteria ~~shall~~ must comply with ~~Minnesota Rules, parts 9530.6600 to 9530.6655~~ section 245G.05. If funds under chapter 254B are to be used to pay for the recommended treatment, the assessment ~~and placement~~ must comply with all provisions of ~~Minnesota Rules, parts 9530.6600 to 9530.6655 and 9530.7000 to 9530.7030~~ sections 245G.05 and 254B.04. The commissioner of human services shall reimburse the court for the cost of the chemical use assessment, up to a maximum of $100.

The court shall order a children's mental health screening conducted when a child is found to be delinquent. The screening shall be conducted with a screening instrument approved by the commissioner of human services and shall be conducted by a mental health practitioner as defined in section 245.4871, subdivision 26, or a probation officer who is trained in the use of the screening instrument. If the screening indicates a need for assessment, the local social services agency, in consultation with the child's family, shall have a diagnostic assessment conducted, including a functional assessment, as defined in section 245.4871.

With the consent of the commissioner of corrections and agreement of the county to pay the costs thereof, the court may, by order, place a minor coming within its jurisdiction in an institution maintained by the commissioner for the detention, diagnosis, custody and treatment of persons adjudicated to be delinquent, in order that the condition of the minor be given due consideration in the disposition of the case. Any funds received under the provisions of this subdivision shall not cancel until the end of the fiscal year immediately following the fiscal year in which the funds were received. The funds are available for use by the commissioner of corrections during that period and are hereby appropriated annually to the commissioner of corrections as reimbursement of the costs of providing these services to the juvenile courts.

Sec. 82. Minnesota Statutes 2020, section 260B.157, subdivision 3, is amended to read:

Subd. 3. **Juvenile treatment screening team.** (a) The local social services agency shall establish a juvenile treatment screening team to conduct screenings and prepare case plans under this subdivision. The team, which may be the team constituted under section 245.4885 or 256B.092 or ~~Minnesota Rules, parts 9530.6600 to 9530.6655~~ chapter 254B, shall consist of social workers, juvenile justice professionals, and persons with expertise in the treatment of juveniles who are emotionally disabled, chemically dependent, or have a developmental disability. The team shall involve parents or guardians in the screening process as appropriate. The team may be the same team as defined in section 260C.157, subdivision 3.

(b) If the court, prior to, or as part of, a final disposition, proposes to place a child:

(1) for the primary purpose of treatment for an emotional disturbance, and residential placement is consistent with section 260.012, a developmental disability, or chemical dependency in a residential treatment facility out of state or in one which is within the state and licensed by the commissioner of human services under chapter 245A; or

(2) in any out-of-home setting potentially exceeding 30 days in duration, including a post-dispositional placement in a facility licensed by the commissioner of corrections or human services, the court shall notify the county welfare agency. The county's juvenile treatment screening team must either:

(i) screen and evaluate the child and file its recommendations with the court within 14 days of receipt of the notice; or

(ii) elect not to screen a given case, and notify the court of that decision within three working days.

(c) If the screening team has elected to screen and evaluate the child, the child may not be placed for the primary purpose of treatment for an emotional disturbance, a developmental disability, or chemical dependency, in a residential treatment facility out of state nor in a residential treatment facility within the state that is licensed under chapter 245A, unless one of the following conditions applies:

(1) a treatment professional certifies that an emergency requires the placement of the child in a facility within the state;

(2) the screening team has evaluated the child and recommended that a residential placement is necessary to meet the child's treatment needs and the safety needs of the community, that it is a cost-effective means of meeting the treatment needs, and that it will be of therapeutic value to the child; or

(3) the court, having reviewed a screening team recommendation against placement, determines to the contrary that a residential placement is necessary. The court shall state the reasons for its determination in writing, on the record, and shall respond specifically to the findings and recommendation of the screening team in explaining why the recommendation was rejected. The attorney representing the child and the prosecuting attorney shall be afforded an opportunity to be heard on the matter.

Sec. 83. Minnesota Statutes 2021 Supplement, section 260C.157, subdivision 3, is amended to read:

Subd. 3. **Juvenile treatment screening team.** (a) The responsible social services agency shall establish a juvenile treatment screening team to conduct screenings under this chapter and chapter 260D, for a child to receive treatment for an emotional disturbance, a developmental disability, or related condition in a residential treatment facility licensed by the commissioner of human services under chapter 245A, or licensed or approved by a Tribe. A screening team is not required for a child to be in: (1) a residential facility specializing in prenatal, postpartum, or parenting support; (2) a facility specializing in high-quality residential care and supportive services to children and youth who have been or are at risk of becoming victims of sex trafficking or commercial sexual exploitation; (3) supervised settings for youth who are 18 years of age or older and living independently; or (4) a licensed residential family-based treatment facility for substance abuse consistent with section 260C.190. Screenings are also not required when a child must be placed in a facility due to an emotional crisis or other mental health emergency.

(b) The responsible social services agency shall conduct screenings within 15 days of a request for a screening, unless the screening is for the purpose of residential treatment and

the child is enrolled in a prepaid health program under section 256B.69, in which case the agency shall conduct the screening within ten working days of a request. The responsible social services agency shall convene the juvenile treatment screening team, which may be constituted under section 245.4885 ~~or~~, 254B.05, or 256B.092 ~~or Minnesota Rules, parts 9530.6600 to 9530.6655~~. The team shall consist of social workers; persons with expertise in the treatment of juveniles who are emotionally disturbed, chemically dependent, or have a developmental disability; and the child's parent, guardian, or permanent legal custodian. The team may include the child's relatives as defined in section 260C.007, subdivisions 26b and 27, the child's foster care provider, and professionals who are a resource to the child's family such as teachers, medical or mental health providers, and clergy, as appropriate, consistent with the family and permanency team as defined in section 260C.007, subdivision 16a. Prior to forming the team, the responsible social services agency must consult with the child's parents, the child if the child is age 14 or older, and, if applicable, the child's Tribe to obtain recommendations regarding which individuals to include on the team and to ensure that the team is family-centered and will act in the child's best interests. If the child, child's parents, or legal guardians raise concerns about specific relatives or professionals, the team should not include those individuals. This provision does not apply to paragraph (c).

(c) If the agency provides notice to Tribes under section 260.761, and the child screened is an Indian child, the responsible social services agency must make a rigorous and concerted effort to include a designated representative of the Indian child's Tribe on the juvenile treatment screening team, unless the child's Tribal authority declines to appoint a representative. The Indian child's Tribe may delegate its authority to represent the child to any other federally recognized Indian Tribe, as defined in section 260.755, subdivision 12. The provisions of the Indian Child Welfare Act of 1978, United States Code, title 25, sections 1901 to 1963, and the Minnesota Indian Family Preservation Act, sections 260.751 to 260.835, apply to this section.

(d) If the court, prior to, or as part of, a final disposition or other court order, proposes to place a child with an emotional disturbance or developmental disability or related condition in residential treatment, the responsible social services agency must conduct a screening. If the team recommends treating the child in a qualified residential treatment program, the agency must follow the requirements of sections 260C.70 to 260C.714.

The court shall ascertain whether the child is an Indian child and shall notify the responsible social services agency and, if the child is an Indian child, shall notify the Indian child's Tribe as paragraph (c) requires.

(e) When the responsible social services agency is responsible for placing and caring for the child and the screening team recommends placing a child in a qualified residential treatment program as defined in section 260C.007, subdivision 26d, the agency must: (1) begin the assessment and processes required in section 260C.704 without delay; and (2) conduct a relative search according to section 260C.221 to assemble the child's family and permanency team under section 260C.706. Prior to notifying relatives regarding the family and permanency team, the responsible social services agency must consult with the child's parent or legal guardian, the child if the child is age 14 or older, and, if applicable, the child's Tribe to ensure that the agency is providing notice to individuals who will act in the child's best interests. The child and the child's parents may identify a culturally competent qualified individual to complete the child's assessment. The agency shall make efforts to refer the assessment to the identified qualified individual. The assessment may not be delayed for the purpose of having the assessment completed by a specific qualified individual.

(f) When a screening team determines that a child does not need treatment in a qualified residential treatment program, the screening team must:

(1) document the services and supports that will prevent the child's foster care placement and will support the child remaining at home;

(2) document the services and supports that the agency will arrange to place the child in a family foster home; or

(3) document the services and supports that the agency has provided in any other setting.

(g) When the Indian child's Tribe or Tribal health care services provider or Indian Health Services provider proposes to place a child for the primary purpose of treatment for an emotional disturbance, a developmental disability, or co-occurring emotional disturbance and chemical dependency, the Indian child's Tribe or the Tribe delegated by the child's Tribe shall submit necessary documentation to the county juvenile treatment screening team, which must invite the Indian child's Tribe to designate a representative to the screening team.

(h) The responsible social services agency must conduct and document the screening in a format approved by the commissioner of human services.

Sec. 84. Minnesota Statutes 2020, section 260E.20, subdivision 1, is amended to read:

Subdivision 1. **General duties.** (a) The local welfare agency shall offer services to prevent future maltreatment, safeguarding and enhancing the welfare of the maltreated child, and supporting and preserving family life whenever possible.

(b) If the report alleges a violation of a criminal statute involving maltreatment or child endangerment under section 609.378, the local law enforcement agency and local welfare agency shall coordinate the planning and execution of their respective investigation and assessment efforts to avoid a duplication of fact-finding efforts and multiple interviews. Each agency shall prepare a separate report of the results of the agency's investigation or assessment.

(c) In cases of alleged child maltreatment resulting in death, the local agency may rely on the fact-finding efforts of a law enforcement investigation to make a determination of whether or not maltreatment occurred.

(d) When necessary, the local welfare agency shall seek authority to remove the child from the custody of a parent, guardian, or adult with whom the child is living.

(e) In performing any of these duties, the local welfare agency shall maintain an appropriate record.

(f) In conducting a family assessment or investigation, the local welfare agency shall gather information on the existence of substance abuse and domestic violence.

(g) If the family assessment or investigation indicates there is a potential for abuse of alcohol or other drugs by the parent, guardian, or person responsible for the child's care, the local welfare agency ~~shall conduct a chemical use~~ must coordinate a comprehensive assessment pursuant to ~~Minnesota Rules, part 9530.6615~~ section 245G.05.

(h) The agency may use either a family assessment or investigation to determine whether the child is safe when responding to a report resulting from birth match data under section 260E.03, subdivision 23, paragraph (c). If the child subject of birth match data is determined to be safe, the agency shall consult with the county attorney to determine the appropriateness of filing a petition alleging the child is in need of protection or services under section 260C.007, subdivision 6, clause (16), in order to deliver needed services. If the child is determined not to be safe, the agency and the county attorney shall take appropriate action as required under section 260C.503, subdivision 2.

Sec. 85. Minnesota Statutes 2020, section 299A.299, subdivision 1, is amended to read:

Subdivision 1. **Establishment of team.** A county, a multicounty organization of counties formed by an agreement under section 471.59, or a city with a population of no more than 50,000, may establish a multidisciplinary chemical abuse prevention team. The chemical abuse prevention team may include, but not be limited to, representatives of health, mental health, public health, law enforcement, educational, social service, court service, community

education, religious, and other appropriate agencies, and parent and youth groups. For purposes of this section, "chemical abuse" has the meaning given in ~~Minnesota Rules, part 9530.6605, subpart 6~~ section 254A.02, subdivision 6a. When possible the team must coordinate its activities with existing local groups, organizations, and teams dealing with the same issues the team is addressing.

Sec. 86. **DIRECTION TO THE COMMISSIONER; BEHAVIORAL HEALTH FUND ALLOCATION.**

The commissioner of human services, in consultation with counties and Tribal Nations, must make recommendations on an updated allocation to local agencies from funds allocated under Minnesota Statutes, section 254B.02, subdivision 5. The commissioner must submit the recommendations to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services finance and policy by January 1, 2024."

Page 46, delete section 40 and insert:

"Sec. 88. **REPEALER.**

(a) Minnesota Statutes 2020, sections 169A.70, subdivision 6; 245G.22, subdivision 19; 254A.02, subdivision 8a; 254A.04; 254A.16, subdivision 6; 254A.19, subdivisions 1a and 2; 254B.04, subdivisions 2b and 2c; 254B.041, subdivision 2; and 254B.14, subdivisions 1, 2, 3, 4, and 6, are repealed.

(b) Minnesota Statutes 2021 Supplement, sections 254A.19, subdivision 5; and 254B.14, subdivision 5, are repealed.

(c) Minnesota Rules, parts 9530.7000, subparts 1, 2, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 17a, 19, 20, and 21; 9530.7005; 9530.7010; 9530.7012; 9530.7015, subparts 1, 2a, 4, 5, and 6; 9530.7020, subparts 1, 1a, and 2; 9530.7021; 9530.7022, subpart 1; 9530.7025; and 9530.7030, subpart 1, are repealed."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly