

1.1 Senator moves to amend S.F. No. 3249 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. [144.1508] MENTAL HEALTH PROVIDER SUPERVISION GRANT
1.4 PROGRAM.

1.5 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
1.6 the meanings given.

1.7 (b) "Mental health professional" means an individual who meets one of the qualifications
1.8 specified in section 245I.04, subdivision 2.

1.9 (c) "Underrepresented community" has the meaning given in section 148E.010,
1.10 subdivision 20.

1.11 Subd. 2. Grant program established. The commissioner of health shall award grants
1.12 to licensed or certified mental health providers who meet the criteria in subdivision 3 to
1.13 fund supervision of interns and clinical trainees who are working toward becoming a mental
1.14 health professional and to subsidize the costs of licensing applications and examination fees
1.15 for clinical trainees.

1.16 Subd. 3. Eligible providers. In order to be eligible for a grant under this section, a mental
1.17 health provider must:

1.18 (1) provide at least 25 percent of the provider's yearly patient encounters to state public
1.19 program enrollees or patients receiving sliding fee schedule discounts through a formal
1.20 sliding fee schedule meeting the standards established by the United States Department of
1.21 Health and Human Services under Code of Federal Regulations, title 42, section 51c.303;
1.22 or

1.23 (2) primarily serve underrepresented communities.

1.24 Subd. 4. Application; grant award. A mental health provider seeking a grant under
1.25 this section must apply to the commissioner at a time and in a manner specified by the
1.26 commissioner. The commissioner shall review each application to determine if the application
1.27 is complete, the mental health provider is eligible for a grant, and the proposed project is
1.28 an allowable use of grant funds. The commissioner must determine the grant amount awarded
1.29 to applicants that the commissioner determines will receive a grant.

1.30 Subd. 5. Allowable uses of grant funds. A mental health provider must use grant funds
1.31 received under this section for one or more of the following:

2.1 (1) to pay for direct supervision hours for interns and clinical trainees, in an amount up
 2.2 to \$7,500 per intern or clinical trainee;

2.3 (2) to establish a program to provide supervision to multiple interns or clinical trainees;
 2.4 or

2.5 (3) to pay licensing application and examination fees for clinical trainees.

2.6 Subd. 6. **Program oversight.** During the grant period, the commissioner may require
 2.7 grant recipients to provide the commissioner with information necessary to evaluate the
 2.8 program.

2.9 Sec. 2. **[245.096] CHANGES TO GRANT PROGRAMS.**

2.10 Prior to making any changes to a grant program administered by the Department of
 2.11 Human Services, the commissioner of human services must provide a report on the nature
 2.12 of the changes, the effect the changes will have, whether any funding will change, and other
 2.13 relevant information, to the chairs and ranking minority members of the legislative
 2.14 committees with jurisdiction over human services. The report must be provided prior to the
 2.15 start of a regular session and the proposed changes cannot be implemented until after the
 2.16 adjournment of that regular session.

2.17 Sec. 3. Minnesota Statutes 2020, section 245.4661, as amended by Laws 2021, chapter
 2.18 30, article 17, section 21, is amended to read:

2.19 **245.4661 PILOT PROJECTS; ADULT MENTAL HEALTH INITIATIVE**
 2.20 **SERVICES.**

2.21 Subdivision 1. ~~Authorization for pilot projects~~ **Adult mental health initiative**
 2.22 **services.** ~~The commissioner of human services may approve pilot projects to provide~~
 2.23 ~~alternatives to or enhance coordination of~~ Each county board must provide or contract for
 2.24 sufficient infrastructure for the delivery of mental health services required under the
 2.25 ~~Minnesota Comprehensive Adult Mental Health Act, sections 245.461 to 245.486 for adults~~
 2.26 in the county with serious and persistent mental illness through adult mental health initiatives.
 2.27 A client may be required to pay a fee for services pursuant to section 245.481. Adult mental
 2.28 health initiatives must be designed to improve the ability of adults with serious and persistent
 2.29 mental illness to receive services.

2.30 Subd. 2. **Program design and implementation.** ~~The pilot projects~~ Adult mental health
 2.31 initiatives shall be established to design, plan, and improve the responsible for designing,

3.1 planning, improving, and maintaining a mental health service delivery system for adults
3.2 with serious and persistent mental illness that would:

3.3 (1) provide an expanded array of services from which clients can choose services
3.4 appropriate to their needs;

3.5 (2) be based on purchasing strategies that improve access and coordinate services without
3.6 cost shifting;

3.7 (3) incorporate existing state facilities and resources into the community mental health
3.8 infrastructure through creative partnerships with local vendors; and

3.9 (4) utilize existing categorical funding streams and reimbursement sources in combined
3.10 and creative ways, except appropriations to regional treatment centers and all funds that are
3.11 attributable to the operation of state-operated services are excluded unless appropriated
3.12 specifically by the legislature for a purpose consistent with this section or section 246.0136,
3.13 subdivision 1.

3.14 Subd. 3. **Program Adult mental health initiative evaluation.** Evaluation of each ~~project~~
3.15 adult mental health initiative will be based on outcome evaluation criteria negotiated with
3.16 each ~~project~~ county or region prior to implementation.

3.17 Subd. 4. **Notice of ~~project~~ adult mental health initiative discontinuation.** Each ~~project~~
3.18 adult mental health initiative may be discontinued for any reason by the ~~project's~~ managing
3.19 entity or the commissioner of human services, after 90 days' written notice to the other
3.20 party.

3.21 Subd. 5. **Planning for ~~pilot projects~~ adult mental health initiatives.** (a) Each local
3.22 plan for a ~~pilot project~~ adult mental health initiative services, with the exception of the
3.23 placement of a ~~Minnesota specialty treatment facility as defined in paragraph (c) of intensive~~
3.24 residential treatment services facilities licensed under chapter 245I, must be developed
3.25 under the direction of the county board, or multiple county boards acting jointly, as the local
3.26 mental health authority. The planning process for each ~~pilot~~ adult mental health initiative
3.27 shall include, but not be limited to, mental health consumers, families, advocates, local
3.28 mental health advisory councils, local and state providers, representatives of state and local
3.29 public employee bargaining units, and the department of human services. As part of the
3.30 planning process, the county board or boards shall designate a managing entity responsible
3.31 for receipt of funds and management of the ~~pilot project~~ adult mental health initiatives.

4.1 (b) For ~~Minnesota specialty~~ intensive residential treatment services facilities, the
4.2 commissioner shall issue a request for proposal for regions in which a need has been
4.3 identified for services.

4.4 ~~(c) For purposes of this section, "Minnesota specialty treatment facility" is defined as~~
4.5 ~~an intensive residential treatment service licensed under chapter 245I.~~

4.6 Subd. 6. **Duties of commissioner.** (a) For purposes of ~~the pilot projects~~ adult mental
4.7 health initiatives, the commissioner shall facilitate integration of funds or other resources
4.8 as needed and requested by each ~~project~~ adult mental health initiative. These resources may
4.9 include:

4.10 (1) community support services funds administered under Minnesota Rules, parts
4.11 9535.1700 to 9535.1760;

4.12 (2) other mental health special project funds;

4.13 (3) medical assistance, MinnesotaCare, and housing support under chapter 256I if
4.14 requested by the ~~project's~~ adult mental health initiative's managing entity, and if the
4.15 commissioner determines this would be consistent with the state's overall health care reform
4.16 efforts; and

4.17 (4) regional treatment center resources consistent with section 246.0136, subdivision 1.

4.18 (b) The commissioner shall consider the following criteria in awarding ~~start-up and~~
4.19 ~~implementation~~ grants for ~~the pilot projects~~ adult mental health initiatives:

4.20 (1) the ability of the ~~proposed projects~~ initiatives to accomplish the objectives described
4.21 in subdivision 2;

4.22 (2) the size of the target population to be served; and

4.23 (3) geographical distribution.

4.24 (c) The commissioner shall review overall status of the ~~projects~~ initiatives at least every
4.25 two years and recommend any legislative changes needed by January 15 of each
4.26 odd-numbered year.

4.27 (d) The commissioner may waive administrative rule requirements ~~which~~ that are
4.28 incompatible with the implementation of the ~~pilot project~~ adult mental health initiative.

4.29 (e) The commissioner may exempt the participating counties from fiscal sanctions for
4.30 noncompliance with requirements in laws and rules ~~which~~ that are incompatible with the
4.31 implementation of the ~~pilot project~~ adult mental health initiative.

5.1 (f) The commissioner may award grants to an entity designated by a county board or
5.2 group of county boards to pay for start-up and implementation costs of the ~~pilot project~~
5.3 adult mental health initiative.

5.4 Subd. 7. **Duties of county board.** The county board, or other entity which is approved
5.5 to administer a ~~pilot project~~ an adult mental health initiative, shall:

5.6 (1) administer the ~~project~~ initiative in a manner ~~which~~ that is consistent with the objectives
5.7 described in subdivision 2 and the planning process described in subdivision 5;

5.8 (2) assure that no one is denied services for ~~which~~ that they would otherwise be eligible;
5.9 and

5.10 (3) provide the commissioner of human services with timely and pertinent information
5.11 through the following methods:

5.12 (i) submission of mental health plans and plan amendments which are based on a format
5.13 and timetable determined by the commissioner;

5.14 (ii) submission of social services expenditure and grant reconciliation reports, based on
5.15 a coding format to be determined by mutual agreement between the ~~project's~~ initiative's
5.16 managing entity and the commissioner; and

5.17 (iii) submission of data and participation in an evaluation of the ~~pilot projects~~ adult
5.18 mental health initiatives, to be designed cooperatively by the commissioner and the ~~projects~~
5.19 initiatives.

5.20 Subd. 8. **Budget flexibility.** The commissioner may make budget transfers that do not
5.21 increase the state share of costs to effectively implement the restructuring of adult mental
5.22 health services.

5.23 Subd. 9. **Services and programs.** (a) The following three distinct grant programs are
5.24 funded under this section:

5.25 (1) mental health crisis services;

5.26 (2) housing with supports for adults with serious mental illness; and

5.27 (3) projects for assistance in transitioning from homelessness (PATH program).

5.28 (b) In addition, the following are eligible for grant funds:

5.29 (1) community education and prevention;

5.30 (2) client outreach;

5.31 (3) early identification and intervention;

- 6.1 (4) adult outpatient diagnostic assessment and psychological testing;
- 6.2 (5) peer support services;
- 6.3 (6) community support program services (CSP);
- 6.4 (7) adult residential crisis stabilization;
- 6.5 (8) supported employment;
- 6.6 (9) assertive community treatment (ACT);
- 6.7 (10) housing subsidies;
- 6.8 (11) basic living, social skills, and community intervention;
- 6.9 (12) emergency response services;
- 6.10 (13) adult outpatient psychotherapy;
- 6.11 (14) adult outpatient medication management;
- 6.12 (15) adult mobile crisis services;
- 6.13 (16) adult day treatment;
- 6.14 (17) partial hospitalization;
- 6.15 (18) adult residential treatment;
- 6.16 (19) adult mental health targeted case management;
- 6.17 (20) intensive community rehabilitative services (ICRS); and
- 6.18 (21) transportation.

6.19 Subd. 10. **Commissioner duty to report on use of grant funds biennially.** By November
6.20 1, 2016, and biennially thereafter, the commissioner of human services shall provide
6.21 sufficient information to the members of the legislative committees having jurisdiction over
6.22 mental health funding and policy issues to evaluate the use of funds appropriated under this
6.23 section of law. The commissioner shall provide, at a minimum, the following information:

6.24 (1) the amount of funding to adult mental health initiatives, what programs and services
6.25 were funded in the previous two years, gaps in services that each initiative brought to the
6.26 attention of the commissioner, and outcome data for the programs and services that were
6.27 funded; and

6.28 (2) the amount of funding for other targeted services and the location of services.

7.1 Subd. 11. **Adult mental health initiative funding.** When implementing the reformed
7.2 funding formula to distribute adult mental health initiative funds, the commissioner shall
7.3 ensure that no adult mental health initiative region receives less than the amount the region
7.4 received in fiscal year 2022 in combined adult mental health initiative funding and Moose
7.5 Lake Alternative funding.

7.6 Sec. 4. Minnesota Statutes 2021 Supplement, section 245I.23, subdivision 19, is amended
7.7 to read:

7.8 Subd. 19. **Program facility.** (a) The license holder must be licensed or certified as a
7.9 board and lodging facility, supervised living facility, or a boarding care home by the
7.10 Department of Health.

7.11 (b) The license holder must have a capacity of five to 16 beds and the program must not
7.12 be declared as an institution for mental disease.

7.13 (c) The license holder must furnish each program location to meet the psychological,
7.14 emotional, and developmental needs of clients.

7.15 (d) The license holder must provide one living room or lounge area per program location.
7.16 There must be space available to provide services according to each client's treatment plan,
7.17 such as an area for learning recreation time skills and areas for learning independent living
7.18 skills, such as laundering clothes and preparing meals.

7.19 (e) The license holder must ensure that each program location allows each client to have
7.20 privacy. Each client must have privacy during assessment interviews and counseling sessions.
7.21 Each client must have a space designated for the client to see outside visitors at the program
7.22 facility.

7.23 (f) Notwithstanding any other provision of law, the license holder may operate a locked
7.24 facility to provide treatment for patients who have been transferred from a jail or have been
7.25 deemed incompetent to stand trial and a judge determines that the patient needs to be in a
7.26 secure facility. The locked facility must meet building and fire code requirements. The
7.27 commissioner may, within available appropriations, disburse grant funding to counties,
7.28 Tribes, or mental health service providers to establish new locked facilities.

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

8.1 Sec. 5. Minnesota Statutes 2020, section 256B.0622, subdivision 5a, is amended to read:

8.2 Subd. 5a. **Standards for intensive residential rehabilitative mental health services.** (a)

8.3 The standards in this subdivision apply to intensive residential mental health services.

8.4 (b) The provider of intensive residential treatment services must have sufficient staff to
8.5 provide 24-hour-per-day coverage to deliver the rehabilitative services described in the
8.6 treatment plan and to safely supervise and direct the activities of clients, given the client's
8.7 level of behavioral and psychiatric stability, cultural needs, and vulnerability. The provider
8.8 must have the capacity within the facility to provide integrated services for chemical
8.9 dependency, illness management services, and family education, when appropriate.

8.10 Notwithstanding any other provision of law, the license holder may operate a locked facility
8.11 to provide treatment for patients who have been transferred from a jail or have been deemed
8.12 incompetent to stand trial and a judge determines that the patient needs to be in a secure
8.13 facility. The locked facility must meet building and fire code requirements.

8.14 (c) At a minimum:

8.15 (1) staff must provide direction and supervision whenever clients are present in the
8.16 facility;

8.17 (2) staff must remain awake during all work hours;

8.18 (3) there must be a staffing ratio of at least one to nine clients for each day and evening
8.19 shift. If more than nine clients are present at the residential site, there must be a minimum
8.20 of two staff during day and evening shifts, one of whom must be a mental health practitioner
8.21 or mental health professional;

8.22 (4) if services are provided to clients who need the services of a medical professional,
8.23 the provider shall ensure that these services are provided either by the provider's own medical
8.24 staff or through referral to a medical professional; and

8.25 (5) the provider must ensure the timely availability of a licensed registered nurse, either
8.26 directly employed or under contract, who is responsible for ensuring the effectiveness and
8.27 safety of medication administration in the facility and assessing clients for medication side
8.28 effects and drug interactions.

8.29 (d) Services must be provided by qualified staff as defined in section 256B.0623,
8.30 subdivision 5, who are trained and supervised according to section 256B.0623, subdivision
8.31 6, except that mental health rehabilitation workers acting as overnight staff are not required
8.32 to comply with section 256B.0623, subdivision 5, paragraph (a), clause (4), item (iv).

9.1 (e) The clinical supervisor must be an active member of the intensive residential services
9.2 treatment team. The team must meet with the clinical supervisor at least weekly to discuss
9.3 clients' progress and make rapid adjustments to meet clients' needs. The team meeting shall
9.4 include client-specific case reviews and general treatment discussions among team members.
9.5 Client-specific case reviews and planning must be documented in the client's treatment
9.6 record.

9.7 (f) Treatment staff must have prompt access in person or by telephone to a mental health
9.8 practitioner or mental health professional. The provider must have the capacity to promptly
9.9 and appropriately respond to emergent needs and make any necessary staffing adjustments
9.10 to ensure the health and safety of clients.

9.11 (g) The initial functional assessment must be completed within ten days of intake and
9.12 updated at least every 30 days, or prior to discharge from the service, whichever comes
9.13 first.

9.14 (h) The initial individual treatment plan must be completed within 24 hours of admission.
9.15 Within ten days of admission, the initial treatment plan must be refined and further developed,
9.16 except for providers certified according to Minnesota Rules, parts 9533.0010 to 9533.0180.
9.17 The individual treatment plan must be reviewed with the client and updated at least monthly.

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

9.21 Sec. 6. Minnesota Statutes 2021 Supplement, section 256B.0625, subdivision 5, is amended
9.22 to read:

9.23 Subd. 5. **Community mental health center services.** Medical assistance covers
9.24 community mental health center services provided by a community mental health center
9.25 that meets the requirements in paragraphs (a) to (j).

9.26 (a) The provider must be certified as a mental health clinic under section 245I.20.

9.27 (b) In addition to the policies and procedures required by section 245I.03, the provider
9.28 must establish, enforce, and maintain the policies and procedures for oversight of clinical
9.29 services by a doctoral-level psychologist or a board-certified or board-eligible psychiatrist.
9.30 These policies and procedures must be developed with the involvement of a doctoral-level
9.31 psychologist and a board-certified or board-eligible psychiatrist, and must include:

9.32 (1) requirements for when to seek clinical consultation with a doctoral-level psychologist
9.33 or a board-certified or board-eligible psychiatrist;

10.1 (2) requirements for the involvement of a doctoral-level psychologist or a board-certified
10.2 or board-eligible psychiatrist in the direction of clinical services; and

10.3 (3) involvement of a doctoral-level psychologist or a board-certified or board-eligible
10.4 psychiatrist in quality improvement initiatives and review as part of a multidisciplinary care
10.5 team.

10.6 (c) The provider must be a private nonprofit corporation or a governmental agency and
10.7 have a community board of directors as specified by section 245.66.

10.8 (d) The provider must have a sliding fee scale that meets the requirements in section
10.9 245.481, and agree to serve within the limits of its capacity all individuals residing in its
10.10 service delivery area.

10.11 (e) At a minimum, the provider must provide the following outpatient mental health
10.12 services: diagnostic assessment; explanation of findings; family, group, and individual
10.13 psychotherapy, including crisis intervention psychotherapy services, psychological testing,
10.14 and medication management. In addition, the provider must provide or be capable of
10.15 providing upon request of the local mental health authority day treatment services, multiple
10.16 family group psychotherapy, and professional home-based mental health services. The
10.17 provider must have the capacity to provide such services to specialized populations such
10.18 as the elderly, families with children, persons who are seriously and persistently mentally
10.19 ill, and children who are seriously emotionally disturbed.

10.20 (f) The provider must be capable of providing the services specified in paragraph (e) to
10.21 individuals who are dually diagnosed with mental illness or emotional disturbance, and
10.22 substance use disorder, and to individuals who are dually diagnosed with a mental illness
10.23 or emotional disturbance and developmental disability.

10.24 (g) The provider must provide 24-hour emergency care services or demonstrate the
10.25 capacity to assist recipients in need of such services to access such services on a 24-hour
10.26 basis.

10.27 (h) The provider must have a contract with the local mental health authority to provide
10.28 one or more of the services specified in paragraph (e).

10.29 (i) The provider must agree, upon request of the local mental health authority, to enter
10.30 into a contract with the county to provide mental health services not reimbursable under
10.31 the medical assistance program.

10.32 (j) The provider may not be enrolled with the medical assistance program as both a
10.33 hospital and a community mental health center. The community mental health center's

11.1 administrative, organizational, and financial structure must be separate and distinct from
11.2 that of the hospital.

11.3 (k) The commissioner may require the provider to annually attest that the provider meets
11.4 the requirements in this subdivision using a form that the commissioner provides.

11.5 (l) Managed care plans and county-based purchasing plans shall reimburse a provider
11.6 at a rate that is at least equal to the fee-for-service payment rate. The commissioner shall
11.7 monitor the effect of this requirement on the rate of access to the services delivered by
11.8 mental health providers. If, for any contract year, federal approval is not received for this
11.9 paragraph, the commissioner must adjust the capitation rates paid to managed care plans
11.10 and county-based purchasing plans for that contract year to reflect the removal of this
11.11 provision. Contracts between managed care plans and county-based purchasing plans and
11.12 providers to whom this paragraph applies must allow recovery of payments from those
11.13 providers if capitation rates are adjusted in accordance with this paragraph. Payment
11.14 recoveries must not exceed the amount equal to any increase in rates that results from this
11.15 provision. This paragraph expires if federal approval is not received for this paragraph at
11.16 any time.

11.17 Sec. 7. Minnesota Statutes 2021 Supplement, section 256B.0625, subdivision 56a, is
11.18 amended to read:

11.19 Subd. 56a. **Officer-involved community-based care coordination.** (a) Medical
11.20 assistance covers officer-involved community-based care coordination for an individual
11.21 who:

11.22 (1) has screened positive for benefiting from treatment for a mental illness or substance
11.23 use disorder using a tool approved by the commissioner;

11.24 (2) does not require the security of a public detention facility and is not considered an
11.25 inmate of a public institution as defined in Code of Federal Regulations, title 42, section
11.26 435.1010;

11.27 (3) meets the eligibility requirements in section 256B.056; and

11.28 (4) has agreed to participate in officer-involved community-based care coordination.

11.29 (b) Officer-involved community-based care coordination means navigating services to
11.30 address a client's mental health, chemical health, social, economic, and housing needs, or
11.31 any other activity targeted at reducing the incidence of jail utilization and connecting
11.32 individuals with existing covered services available to them, including, but not limited to,
11.33 targeted case management, waiver case management, or care coordination.

12.1 (c) Officer-involved community-based care coordination must be provided by an
12.2 individual who is an employee of or is under contract with a county, or is an employee of
12.3 or under contract with an Indian health service facility or facility owned and operated by a
12.4 tribe or a tribal organization operating under Public Law 93-638 as a 638 facility to provide
12.5 officer-involved community-based care coordination and is qualified under one of the
12.6 following criteria:

12.7 (1) a mental health professional;

12.8 (2) a clinical trainee qualified according to section 245I.04, subdivision 6, working under
12.9 the treatment supervision of a mental health professional according to section 245I.06;

12.10 (3) a mental health practitioner qualified according to section 245I.04, subdivision 4,
12.11 working under the treatment supervision of a mental health professional according to section
12.12 245I.06;

12.13 (4) a mental health certified peer specialist qualified according to section 245I.04,
12.14 subdivision 10, working under the treatment supervision of a mental health professional
12.15 according to section 245I.06;

12.16 (5) an individual qualified as an alcohol and drug counselor under section 245G.11,
12.17 subdivision 5; or

12.18 (6) a recovery peer qualified under section 245G.11, subdivision 8, working under the
12.19 supervision of an individual qualified as an alcohol and drug counselor under section
12.20 245G.11, subdivision 5.

12.21 (d) Reimbursement is allowed for up to 60 days following the initial determination of
12.22 eligibility.

12.23 (e) Providers of officer-involved community-based care coordination shall annually
12.24 report to the commissioner on the number of individuals served, and number of the
12.25 community-based services that were accessed by recipients. The commissioner shall ensure
12.26 that services and payments provided under officer-involved community-based care
12.27 coordination do not duplicate services or payments provided under section 256B.0625,
12.28 subdivision 20, 256B.0753, 256B.0755, or 256B.0757.

12.29 ~~(f) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of cost for~~
12.30 ~~officer-involved community-based care coordination services shall be provided by the~~
12.31 ~~county providing the services, from sources other than federal funds or funds used to match~~
12.32 ~~other federal funds.~~

13.1 **Sec. 8. DIRECTION TO COMMISSIONER OF HUMAN SERVICES;**
13.2 **DEVELOPMENT OF MEDICAL ASSISTANCE ELIGIBLE MENTAL HEALTH**
13.3 **BENEFIT FOR CHILDREN IN CRISIS.**

13.4 (a) The commissioner of human services, in consultation with providers, counties, and
13.5 other stakeholders, must develop a covered service under medical assistance to provide
13.6 residential crisis stabilization for children. The benefit must:

13.7 (1) consist of services that contribute to effective treatment to children experiencing a
13.8 mental health crisis;

13.9 (2) provide for simplicity of service, design, and administration;

13.10 (3) support participation by all payors; and

13.11 (4) include services that support children and families that comprise of:

13.12 (i) an assessment of the child's immediate needs and factors that lead to the mental health
13.13 crisis;

13.14 (ii) individualized treatment to address immediate needs and restore the child to a precrisis
13.15 level of functioning;

13.16 (iii) 24-hour on-site staff and assistance;

13.17 (iv) supportive counseling;

13.18 (v) skills training as identified in the child's individual crisis stabilization plan;

13.19 (vi) referrals to other service providers in the community as needed and to support the
13.20 child's transition from residential crisis stabilization services;

13.21 (vii) development of a crisis response action plan; and

13.22 (viii) assistance to access and store medication.

13.23 (c) Eligible services must not be denied based on service location or service entity.

13.24 (d) When developing the new benefit, the commission must also make recommendations
13.25 or propose a method for medical assistance enrollees to also receive a housing support
13.26 benefit to cover room and board.

13.27 (e) No later than February 1, 2023, the commissioner, in consultation with counties,
13.28 stakeholders, and providers, must submit to the chairs and ranking minority members of
13.29 the legislative committees with jurisdiction over human services policy and finance a timeline
13.30 for developing the fiscal and service analysis for the mental health benefit under this section,

14.1 and a deadline for the commissioner to submit a state plan amendment to the Centers for
14.2 Medicare and Medicaid Services.

14.3 **Sec. 9. MENTAL HEALTH URGENCY ROOM GRANTS.**

14.4 Subdivision 1. **Establishment.** The commissioner of human services must establish a
14.5 competitive grant program for medical providers and nonprofits seeking to become a
14.6 first-contact resource for youths having a mental health crisis through the use of urgency
14.7 rooms.

14.8 Subd. 2. **Goal.** The goal of this grant program is to address emergency mental health
14.9 needs by creating urgency rooms that can be used by youths age 25 and under having a
14.10 mental health crisis as a first-contact resource.

14.11 Subd. 3. **Eligible applicants.** (a) To be eligible for a grant under this section, applicants
14.12 must be:

14.13 (1) an existing medical provider, including hospitals or emergency rooms;

14.14 (2) a nonprofit that is in the business of providing mental health services; or

14.15 (3) a nonprofit serving an underserved or rural community that will partner with an
14.16 existing medical provider or nonprofit that is in the business of providing mental health
14.17 services.

14.18 (b) Applicants must have staff who are licensed mental health professionals as defined
14.19 under Minnesota Statutes, section 245I.02, subdivision 27.

14.20 (c) Applicants may have the capability to:

14.21 (1) perform a medical evaluation and mental health evaluation upon a youth's admittance
14.22 to an urgency room;

14.23 (2) accommodate a youth's stay for up to 72 hours;

14.24 (3) conduct a substance use disorder screening;

14.25 (4) conduct a mental health crisis assessment;

14.26 (5) provide peer support services;

14.27 (6) provide crisis stabilization services;

14.28 (7) provide access to crisis psychiatry; and

14.29 (8) provide access to care planning and case management.

15.1 (d) Applicants must have a connection to inpatient and outpatient mental health services,
15.2 including a physical health screening.

15.3 (e) Applicants that are not medical providers must agree to partner with a nearby
15.4 emergency room or hospital to provide services in the event of an emergency.

15.5 (f) Applicants must agree to accept patients regardless of their insurance status or their
15.6 ability to pay.

15.7 Subd. 4. **Applications.** (a) Entities seeking grants under this section shall apply to the
15.8 commissioner. The grant applicant must include a description of the project that the applicant
15.9 is proposing, the amount of money that the applicant is seeking, a proposed budget describing
15.10 how the applicant will spend the grant money, and how the applicant intends to meet the
15.11 goals of the program. Nonprofits that serve an underserved or rural community that are
15.12 partnering with an existing medical provider or nonprofit that is in the business of providing
15.13 mental health services must submit a joint application with the partnering entity.

15.14 (b) Priority must be given to applications that:

15.15 (1) demonstrate a need for the program in the region;

15.16 (2) provide a detailed service plan, including the services that will be provided and to
15.17 whom, and staffing requirements;

15.18 (3) provide an estimated cost of operating the program;

15.19 (4) verify financial sustainability by detailing sufficient funding sources and the capacity
15.20 to obtain third-party payments for services provided, including private insurance and federal
15.21 Medicaid and Medicare financial participation;

15.22 (5) demonstrate an ability and willingness to build on existing resources in the
15.23 community; and

15.24 (6) agree to an evaluation of services and financial viability by the commissioner.

15.25 Subd. 5. **Grant activities.** Grantees must use grant money to create urgency rooms to
15.26 provide emergency mental health services and become a first-contact resource for youths
15.27 having a mental health crisis. Grant money uses may include funding for:

15.28 (1) expanding current space to create an urgency room;

15.29 (2) performing medical or mental health evaluations;

15.30 (3) developing a care plan for the youth; or

16.1 (4) providing recommendations for further care, either at an inpatient or outpatient
16.2 facility.

16.3 Subd. 6. **Reporting.** (a) Grantees must provide a report to the commissioner in a manner
16.4 specified by the commissioner on the following:

16.5 (1) how grant funds were spent;

16.6 (2) how many youths the grantee served; and

16.7 (3) how the grantee met the goal of the grant program.

16.8 (b) The commissioner must provide a report to the chairs and ranking minority members
16.9 of the legislative committees with jurisdiction over human services regarding grant activities
16.10 one year from the date all grant contracts have been executed. The commissioner must
16.11 provide an updated report two years from the date all grant contracts have been executed
16.12 on the progress of the grant program and how grant funds were spent. This report must be
16.13 made available to the public.

16.14 Sec. 10. **APPROPRIATION; SCHOOL-LINKED MENTAL HEALTH GRANTS.**

16.15 \$..... in fiscal year 2023 is appropriated from the general fund to the commissioner of
16.16 human services for school-linked mental health grants under Minnesota Statutes, section
16.17 245.4901. This is a onetime appropriation.

16.18 Sec. 11. **APPROPRIATION; SHELTER-LINKED MENTAL HEALTH GRANTS.**

16.19 \$..... in fiscal year 2023 is appropriated from the general fund to the commissioner of
16.20 human services for shelter-linked youth mental health grants under Minnesota Statutes,
16.21 section 256K.46.

16.22 Sec. 12. **APPROPRIATION; EXPAND MOBILE CRISIS.**

16.23 \$..... in fiscal year 2023 is appropriated from the general fund to the commissioner of
16.24 human services for additional funding for grants for adult mobile crisis services under
16.25 Minnesota Statutes, section 245.4661, subdivision 9, paragraph (b), clause (15).

16.26 Sec. 13. **APPROPRIATION; MENTAL HEALTH URGENCY ROOMS GRANT**
16.27 **PROGRAM.**

16.28 \$..... in fiscal year 2023 is appropriated from the general fund to the commissioner of
16.29 human services for mental health urgency room grants in section 9. This is a onetime
16.30 appropriation.

17.1 Sec. 14. **APPROPRIATION; MENTAL HEALTH PROFESSIONAL LOAN**
17.2 **FORGIVENESS.**

17.3 Notwithstanding the priorities and distribution requirements under Minnesota Statutes,
17.4 section 144.1501, \$..... is appropriated in fiscal year 2023 from the general fund to the
17.5 commissioner of health for the health professional loan forgiveness program to be used for
17.6 loan forgiveness only for individuals who are eligible mental health professionals under
17.7 Minnesota Statutes, section 144.1501. Notwithstanding Minnesota Statutes, section 144.1501,
17.8 subdivision 2, paragraph (b), if the commissioner of health does not receive enough qualified
17.9 mental health professional applicants within fiscal year 2023 to use this entire appropriation,
17.10 the remaining funds shall be carried over to the next biennium and allocated proportionally
17.11 among the other eligible professions in accordance with Minnesota Statutes, section 144.1501,
17.12 subdivision 2.

17.13 Sec. 15. **APPROPRIATION; MENTAL HEALTH PROVIDER SUPERVISION**
17.14 **GRANT PROGRAM.**

17.15 \$..... is appropriated in fiscal year 2023 from the general fund to the commissioner of
17.16 health for the mental health provider supervision grant program under Minnesota Statutes,
17.17 section 144.1508.

17.18 Sec. 16. **APPROPRIATION; INTENSIVE RESIDENTIAL TREATMENT**
17.19 **SERVICES.**

17.20 \$..... in fiscal year 2023 is appropriated from the general fund to the commissioner of
17.21 human services to provide start-up funds to intensive residential treatment service providers
17.22 to provide treatment in locked facilities for patients who have been transferred from a jail
17.23 or who have been deemed incompetent to stand trial and a judge has determined that the
17.24 patient needs to be in a secure facility. This is a onetime appropriation.

17.25 Sec. 17. **APPROPRIATION; ADULT MENTAL HEALTH INITIATIVES FUNDING.**

17.26 \$..... in fiscal year 2023 is appropriated from the general fund to the commissioner of
17.27 human services to ensure that no adult mental health initiative region receives less funding
17.28 due to formula changes pursuant to Minnesota Statutes, section 245.4661, subdivision 11.

17.29 Sec. 18. **REPEALER.**

17.30 Minnesota Statutes 2020, section 245.4661, subdivision 8, is repealed."

17.31 Amend the title accordingly