

1.1 **Senator Abeler from the Committee on Human Services Reform Finance and Policy,**
 1.2 **to which was referred**

1.3 **S.F. No. 4410:** A bill for an act relating to long-term care; appropriating money to the
 1.4 commissioner of health and the commissioner of human services for long-term care protection
 1.5 and support activities and a temporary staffing pool.

1.6 Reports the same back with the recommendation that the bill be amended as follows:

1.7 Delete everything after the enacting clause and insert:

1.8 **"ARTICLE 1**
 1.9 **COMMUNITY SUPPORTS**

1.10 Section 1. Minnesota Statutes 2020, section 252.275, subdivision 4c, is amended to read:

1.11 Subd. 4c. **Review of funds; reallocation.** (a) After each quarter, the commissioner shall
 1.12 review county program expenditures. The commissioner may reallocate unexpended money
 1.13 at any time among those counties which have earned their full allocation.

1.14 (b) For each fiscal year, the commissioner shall determine if actual statewide expenditures
 1.15 by county boards are less than the fiscal year appropriation to provide semi-independent
 1.16 living services under this section. If actual statewide expenditures by county boards are less
 1.17 than the fiscal year appropriation to provide semi-independent living services under this
 1.18 section, the unexpended amount must be carried forward to the next fiscal year and allocated
 1.19 to grants in equal amounts to the eight organizations defined in section 268A.01, subdivision
 1.20 8, to expand services to support people with disabilities who are ineligible for medical
 1.21 assistance to live in their own homes and communities by providing accessibility
 1.22 modifications, independent living services, and public health program facilitation.

1.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

1.24 Sec. 2. Minnesota Statutes 2020, section 252.275, subdivision 8, is amended to read:

1.25 Subd. 8. **Use of federal funds and transfer of funds to medical assistance.** (a) The
 1.26 commissioner shall make every reasonable effort to maximize the use of federal funds for
 1.27 semi-independent living services.

1.28 ~~(b) The commissioner shall reduce the payments to be made under this section to each~~
 1.29 ~~county from January 1, 1994, to June 30, 1996, by the amount of the state share of medical~~
 1.30 ~~assistance reimbursement for services other than residential services provided under the~~
 1.31 ~~home and community-based waiver program under section 256B.092 from January 1, 1994~~
 1.32 ~~to June 30, 1996, for clients for whom the county is financially responsible and who have~~
 1.33 ~~been transferred by the county from the semi-independent living services program to the~~

2.1 ~~home and community-based waiver program. Unless otherwise specified, all reduced amounts~~
 2.2 ~~shall be transferred to the medical assistance state account.~~

2.3 ~~(c) For fiscal year 1997, the base appropriation available under this section shall be~~
 2.4 ~~reduced by the amount of the state share of medical assistance reimbursement for services~~
 2.5 ~~other than residential services provided under the home and community-based waiver~~
 2.6 ~~program authorized in section 256B.092 from January 1, 1995, to December 31, 1995, for~~
 2.7 ~~persons who have been transferred from the semi-independent living services program to~~
 2.8 ~~the home and community-based waiver program. The base appropriation for the medical~~
 2.9 ~~assistance state account shall be increased by the same amount.~~

2.10 ~~(d) For purposes of calculating the guaranteed floor under subdivision 4b and to establish~~
 2.11 ~~the calendar year 1996 allocations, each county's original allocation for calendar year 1995~~
 2.12 ~~shall be reduced by the amount transferred to the state medical assistance account under~~
 2.13 ~~paragraph (b) during the six months ending on June 30, 1995. For purposes of calculating~~
 2.14 ~~the guaranteed floor under subdivision 4b and to establish the calendar year 1997 allocations,~~
 2.15 ~~each county's original allocation for calendar year 1996 shall be reduced by the amount~~
 2.16 ~~transferred to the state medical assistance account under paragraph (b) during the six months~~
 2.17 ~~ending on December 31, 1995.~~

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

2.19 **Sec. 3. [256.4795] RESIDENTIAL SETTING CLOSURE PREVENTION GRANTS.**

2.20 **Subdivision 1. Residential setting closure prevention grants established.** The
 2.21 commissioner of human services shall establish a grant program to reduce the risk of
 2.22 residential settings in financial distress from closing. The commissioner shall limit
 2.23 expenditures under this subdivision to the amount appropriated for this purpose.

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

2.26 (b) "At risk of closure" means a residential setting is in significant financial distress and,
 2.27 in the judgment of the commissioner, but for additional funding from the commissioner,
 2.28 the setting will close.

2.29 (c) "Residential settings" means any of the following: a nursing facility; an assisted
 2.30 living facility with a majority of residents receiving services funded by medical assistance;
 2.31 an intermediate care facility for persons with developmental disabilities; or an adult foster
 2.32 care setting, a community residential setting, or an integrated community supports setting.

3.1 Subd. 3. **Eligibility.** (a) A license holder operating a residential setting in significant
3.2 financial distress may apply to the commissioner for a grant under this section to relieve its
3.3 immediate financial distress.

3.4 (b) Lead agencies that suspect a residential setting is in significant financial distress may
3.5 refer the license holder to the commissioner for consideration by the commissioner for grant
3.6 funding under this section. Upon a referral from a lead agency under this section, the
3.7 commissioner shall immediately solicit an application from the license holder, providing
3.8 individualized technical assistance to the license holder regarding the application process.

3.9 (c) The commissioner must give priority for closure prevention grants to residential
3.10 settings with the most significant risk of closing in violation of the applicable notice
3.11 requirements prior to the termination of services.

3.12 Subd. 4. **Criteria and limitations.** (a) Within available appropriations for this purpose,
3.13 the commissioner must award sufficient funding to a residential setting at risk of closure to
3.14 ensure that the residential setting remains open long enough to comply with the applicable
3.15 termination of services notification requirements.

3.16 (b) The commissioner may award additional funding to a residential setting at risk of
3.17 closure if, in the judgment of the commissioner, the residential setting is likely to remain
3.18 open and financially viable after receiving time-limited additional funding from the
3.19 commissioner.

3.20 (c) Before receiving any additional funding under paragraph (b), grantees must work
3.21 with the commissioner to develop a business plan and corrective action plan to reduce the
3.22 risk of future financial distress. No residential setting may receive additional funding under
3.23 paragraph (b) more than once.

3.24 Subd. 5. **Interagency coordination.** The commissioner must coordinate the grant
3.25 activities under this section with any other impacted state agencies and lead agencies.

3.26 Subd. 6. **Administrative funding.** The commissioner may use up to 6.5 percent of the
3.27 grant amounts awarded for the commissioner's costs related to administration of this program.

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

3.29 Sec. 4. Minnesota Statutes 2020, section 256B.0659, subdivision 1, is amended to read:

3.30 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in
3.31 paragraphs (b) to (r) have the meanings given unless otherwise provided in text.

4.1 (b) "Activities of daily living" means grooming, dressing, bathing, transferring, mobility,
4.2 positioning, eating, and toileting.

4.3 (c) "Behavior," effective January 1, 2010, means a category to determine the home care
4.4 rating and is based on the criteria found in this section. "Level I behavior" means physical
4.5 aggression ~~towards~~ toward self, others, or destruction of property that requires the immediate
4.6 response of another person.

4.7 (d) "Complex health-related needs," effective January 1, 2010, means a category to
4.8 determine the home care rating and is based on the criteria found in this section.

4.9 (e) "Critical activities of daily living," effective January 1, 2010, means transferring,
4.10 mobility, eating, and toileting.

4.11 (f) "Dependency in activities of daily living" means a person requires assistance to begin
4.12 and complete one or more of the activities of daily living.

4.13 (g) "Extended personal care assistance service" means personal care assistance services
4.14 included in a service plan under one of the home and community-based services waivers
4.15 authorized under chapter 256S and sections 256B.092, subdivision 5, and 256B.49, which
4.16 exceed the amount, duration, and frequency of the state plan personal care assistance services
4.17 for participants who:

4.18 (1) need assistance provided periodically during a week, but less than daily will not be
4.19 able to remain in their homes without the assistance, and other replacement services are
4.20 more expensive or are not available when personal care assistance services are to be reduced;
4.21 or

4.22 (2) need additional personal care assistance services beyond the amount authorized by
4.23 the state plan personal care assistance assessment in order to ensure that their safety, health,
4.24 and welfare are provided for in their homes.

4.25 (h) "Health-related procedures and tasks" means procedures and tasks that can be
4.26 delegated or assigned by a licensed health care professional under state law to be performed
4.27 by a personal care assistant.

4.28 (i) "Instrumental activities of daily living" means activities to include meal planning and
4.29 preparation; basic assistance with paying bills; shopping for food, clothing, and other
4.30 essential items; performing household tasks integral to the personal care assistance services;
4.31 communication by telephone and other media; and traveling, including to medical
4.32 appointments and to participate in the community. For purposes of this paragraph, traveling

5.1 includes driving and accompanying the recipient in the recipient's chosen mode of
5.2 transportation and according to the recipient's personal care assistance care plan.

5.3 (j) "Managing employee" has the same definition as Code of Federal Regulations, title
5.4 42, section 455.

5.5 (k) "Qualified professional" means a professional providing supervision of personal care
5.6 assistance services and staff as defined in section 256B.0625, subdivision 19c.

5.7 (l) "Personal care assistance provider agency" means a medical assistance enrolled
5.8 provider that provides or assists with providing personal care assistance services and includes
5.9 a personal care assistance provider organization, personal care assistance choice agency,
5.10 class A licensed nursing agency, and Medicare-certified home health agency.

5.11 (m) "Personal care assistant" or "PCA" means an individual employed by a personal
5.12 care assistance agency who provides personal care assistance services.

5.13 (n) "Personal care assistance care plan" means a written description of personal care
5.14 assistance services developed by the personal care assistance provider according to the
5.15 service plan.

5.16 (o) "Responsible party" means an individual who is capable of providing the support
5.17 necessary to assist the recipient to live in the community.

5.18 (p) "Self-administered medication" means medication taken orally, by injection, nebulizer,
5.19 or insertion, or applied topically without the need for assistance.

5.20 (q) "Service plan" means a written summary of the assessment and description of the
5.21 services needed by the recipient.

5.22 (r) "Wages and benefits" means wages and salaries, the employer's share of FICA taxes,
5.23 Medicare taxes, state and federal unemployment taxes, workers' compensation, mileage
5.24 reimbursement, health and dental insurance, life insurance, disability insurance, long-term
5.25 care insurance, uniform allowance, and contributions to employee retirement accounts.

5.26 **EFFECTIVE DATE.** This section is effective within 90 days following federal approval.
5.27 The commissioner of human services shall inform the revisor of statutes when federal
5.28 approval is obtained.

5.29 Sec. 5. Minnesota Statutes 2020, section 256B.0659, subdivision 12, is amended to read:

5.30 Subd. 12. **Documentation of personal care assistance services provided.** (a) Personal
5.31 care assistance services for a recipient must be documented daily by each personal care
5.32 assistant, on a time sheet form approved by the commissioner. All documentation may be

6.1 web-based, electronic, or paper documentation. The completed form must be submitted on
 6.2 a monthly basis to the provider and kept in the recipient's health record.

6.3 (b) The activity documentation must correspond to the personal care assistance care plan
 6.4 and be reviewed by the qualified professional.

6.5 (c) The personal care assistant time sheet must be on a form approved by the
 6.6 commissioner documenting time the personal care assistant provides services in the home.
 6.7 The following criteria must be included in the time sheet:

6.8 (1) full name of personal care assistant and individual provider number;

6.9 (2) provider name and telephone numbers;

6.10 (3) full name of recipient and either the recipient's medical assistance identification
 6.11 number or date of birth;

6.12 (4) consecutive dates, including month, day, and year, and arrival and departure times
 6.13 with a.m. or p.m. notations;

6.14 (5) signatures of recipient or the responsible party;

6.15 (6) personal signature of the personal care assistant;

6.16 (7) any shared care provided, if applicable;

6.17 (8) a statement that it is a federal crime to provide false information on personal care
 6.18 service billings for medical assistance payments; ~~and~~

6.19 (9) dates and location of recipient stays in a hospital, care facility, or incarceration; and

6.20 (10) any time spent traveling, as described in subdivision 1, paragraph (i), including
 6.21 start and stop times with a.m. and p.m. designations, the origination site, and the destination
 6.22 site.

6.23 **EFFECTIVE DATE.** This section is effective within 90 days following federal approval.
 6.24 The commissioner of human services shall inform the revisor of statutes when federal
 6.25 approval is obtained.

6.26 Sec. 6. Minnesota Statutes 2021 Supplement, section 256B.0659, subdivision 17a, is
 6.27 amended to read:

6.28 Subd. 17a. **Enhanced rate.** (a) ~~An enhanced rate of 107.5 percent of the rate paid for~~
 6.29 ~~personal care assistance services~~ shall be paid for services provided to persons who qualify
 6.30 for ten or more hours of personal care assistance services per day when provided by a

7.1 personal care assistant who meets the requirements of subdivision 11, paragraph (d). The
 7.2 commissioner shall determine the enhanced rate by applying the following sliding scale:

7.3 (1) for persons who qualify for ten to 18 hours of personal care services, the sliding
 7.4 enhanced rate scale shall begin at 107.5 percent of the rate paid for personal care assistance
 7.5 services and increase to 125 percent; and

7.6 (2) for persons who qualify for more than 18 hours of personal care services, the enhanced
 7.7 rate shall be 125 percent of the rate paid for personal care assistance services.

7.8 (b) Any change in the eligibility criteria for the enhanced rate for personal care assistance
 7.9 services as described in this subdivision and referenced in subdivision 11, paragraph (d),
 7.10 does not constitute a change in a term or condition for individual providers as defined in
 7.11 section 256B.0711, and is not subject to the state's obligation to meet and negotiate under
 7.12 chapter 179A.

7.13 Sec. 7. Minnesota Statutes 2020, section 256B.0659, subdivision 19, is amended to read:

7.14 Subd. 19. **Personal care assistance choice option; qualifications; duties.** (a) Under
 7.15 personal care assistance choice, the recipient or responsible party shall:

7.16 (1) recruit, hire, schedule, and terminate personal care assistants according to the terms
 7.17 of the written agreement required under subdivision 20, paragraph (a);

7.18 (2) develop a personal care assistance care plan based on the assessed needs and
 7.19 addressing the health and safety of the recipient with the assistance of a qualified professional
 7.20 as needed;

7.21 (3) orient and train the personal care assistant with assistance as needed from the qualified
 7.22 professional;

7.23 (4) ~~effective January 1, 2010,~~ supervise and evaluate the personal care assistant with the
 7.24 qualified professional, who is required to visit the recipient at least every 180 days;

7.25 (5) monitor and verify in writing and report to the personal care assistance choice agency
 7.26 the number of hours worked by the personal care assistant and the qualified professional;

7.27 (6) engage in an annual face-to-face reassessment to determine continuing eligibility
 7.28 and service authorization; ~~and~~

7.29 (7) use the same personal care assistance choice provider agency if shared personal
 7.30 assistance care is being used; and

8.1 (8) ensure that a personal care assistant driving the recipient under subdivision 1,
8.2 paragraph (i), has a valid driver's license and the vehicle used is registered and insured
8.3 according to Minnesota law.

8.4 (b) The personal care assistance choice provider agency shall:

8.5 (1) meet all personal care assistance provider agency standards;

8.6 (2) enter into a written agreement with the recipient, responsible party, and personal
8.7 care assistants;

8.8 (3) not be related as a parent, child, sibling, or spouse to the recipient or the personal
8.9 care assistant; and

8.10 (4) ensure arm's-length transactions without undue influence or coercion with the recipient
8.11 and personal care assistant.

8.12 (c) The duties of the personal care assistance choice provider agency are to:

8.13 (1) be the employer of the personal care assistant and the qualified professional for
8.14 employment law and related regulations including, but not limited to, purchasing and
8.15 maintaining workers' compensation, unemployment insurance, surety and fidelity bonds,
8.16 and liability insurance, and submit any or all necessary documentation including, but not
8.17 limited to, workers' compensation, unemployment insurance, and labor market data required
8.18 under section 256B.4912, subdivision 1a;

8.19 (2) bill the medical assistance program for personal care assistance services and qualified
8.20 professional services;

8.21 (3) request and complete background studies that comply with the requirements for
8.22 personal care assistants and qualified professionals;

8.23 (4) pay the personal care assistant and qualified professional based on actual hours of
8.24 services provided;

8.25 (5) withhold and pay all applicable federal and state taxes;

8.26 (6) verify and keep records of hours worked by the personal care assistant and qualified
8.27 professional;

8.28 (7) make the arrangements and pay taxes and other benefits, if any, and comply with
8.29 any legal requirements for a Minnesota employer;

8.30 (8) enroll in the medical assistance program as a personal care assistance choice agency;
8.31 and

9.1 (9) enter into a written agreement as specified in subdivision 20 before services are
9.2 provided.

9.3 **EFFECTIVE DATE.** This section is effective within 90 days following federal approval.
9.4 The commissioner of human services shall inform the revisor of statutes when federal
9.5 approval is obtained.

9.6 Sec. 8. Minnesota Statutes 2020, section 256B.0659, subdivision 24, is amended to read:

9.7 Subd. 24. **Personal care assistance provider agency; general duties.** A personal care
9.8 assistance provider agency shall:

9.9 (1) enroll as a Medicaid provider meeting all provider standards, including completion
9.10 of the required provider training;

9.11 (2) comply with general medical assistance coverage requirements;

9.12 (3) demonstrate compliance with law and policies of the personal care assistance program
9.13 to be determined by the commissioner;

9.14 (4) comply with background study requirements;

9.15 (5) verify and keep records of hours worked by the personal care assistant and qualified
9.16 professional;

9.17 (6) not engage in any agency-initiated direct contact or marketing in person, by phone,
9.18 or other electronic means to potential recipients, guardians, or family members;

9.19 (7) pay the personal care assistant and qualified professional based on actual hours of
9.20 services provided;

9.21 (8) withhold and pay all applicable federal and state taxes;

9.22 (9) document that the agency uses a minimum of 72.5 percent of the revenue generated
9.23 by the medical assistance rate for personal care assistance services for employee personal
9.24 care assistant wages and benefits. The revenue generated by the qualified professional and
9.25 the reasonable costs associated with the qualified professional shall not be used in making
9.26 this calculation;

9.27 (10) make the arrangements and pay unemployment insurance, taxes, workers'
9.28 compensation, liability insurance, and other benefits, if any;

9.29 (11) enter into a written agreement under subdivision 20 before services are provided;

9.30 (12) report suspected neglect and abuse to the common entry point according to section
9.31 256B.0651;

10.1 (13) provide the recipient with a copy of the home care bill of rights at start of service;

10.2 (14) request reassessments at least 60 days prior to the end of the current authorization
10.3 for personal care assistance services, on forms provided by the commissioner;

10.4 (15) comply with the labor market reporting requirements described in section 256B.4912,
10.5 subdivision 1a; ~~and~~

10.6 (16) document that the agency uses the additional revenue due to the enhanced rate under
10.7 subdivision 17a for the wages and benefits of the PCAs whose services meet the requirements
10.8 under subdivision 11, paragraph (d); and

10.9 (17) ensure that a personal care assistant driving a recipient under subdivision 1,
10.10 paragraph (i), has a valid driver's license and the vehicle used is registered and insured
10.11 according to Minnesota law.

10.12 **EFFECTIVE DATE.** This section is effective within 90 days following federal approval.
10.13 The commissioner of human services shall inform the revisor of statutes when federal
10.14 approval is obtained.

10.15 Sec. 9. Minnesota Statutes 2021 Supplement, section 256B.49, subdivision 28, is amended
10.16 to read:

10.17 Subd. 28. **Customized living moratorium for brain injury and community access**
10.18 **for disability inclusion waivers.** (a) Notwithstanding section 245A.03, subdivision 2,
10.19 paragraph (a), clause (23), to prevent new development of customized living settings that
10.20 otherwise meet the residential program definition under section 245A.02, subdivision 14,
10.21 the commissioner shall not enroll new customized living settings serving four or fewer
10.22 people in a single-family home to deliver customized living services as defined under the
10.23 brain injury or community access for disability inclusion waiver plans under this section.

10.24 (b) The commissioner may approve an exception to paragraph (a) when an existing
10.25 customized living setting changes ownership at the same address or when the same owner
10.26 relocates the residential program to a new customized living setting.

10.27 (c) Customized living settings operational on or before June 30, 2021, are considered
10.28 existing customized living settings.

10.29 (d) For any new customized living settings serving four or fewer people in a single-family
10.30 home to deliver customized living services as defined in paragraph (a) and that was not
10.31 operational on or before June 30, 2021, the authorizing lead agency is financially responsible
10.32 for all home and community-based service payments in the setting.

11.1 (e) For purposes of this subdivision, "operational" means customized living services are
11.2 authorized and delivered to a person in the customized living setting.

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

11.4 Sec. 10. **[256B.4909] HOME AND COMMUNITY-BASED SERVICES;**
11.5 **HOMEMAKER RATES.**

11.6 Subdivision 1. **Application.** (a) Notwithstanding any law to the contrary, the payment
11.7 methodologies for homemaker services defined in this section apply to those homemaker
11.8 services offered under:

11.9 (1) home and community-based services waivers under sections 256B.092 and 256B.49;

11.10 (2) alternative care under section 256B.0913;

11.11 (3) essential community supports under section 256B.0922; and

11.12 (4) elderly waiver, elderly waiver customized living, and elderly waiver foster care under
11.13 chapter 256S.

11.14 (b) This section does not change existing waiver policies and procedures.

11.15 Subd. 2. **Definition.** For purposes of this section, "homemaker services" means
11.16 homemaker services and assistance with personal care, homemaker services and cleaning,
11.17 and homemaker services and home management under chapter 256S and similar services
11.18 offered under home and community-based services waivers under sections 256B.092 and
11.19 256B.49, alternative care under section 256B.0913, and essential community supports under
11.20 section 256B.0922.

11.21 Subd. 3. **Rate methodology.** (a) Beginning January 1, 2023, the rate methodology for
11.22 each homemaker service must be determined under sections 256S.211, subdivision 1, and
11.23 256S.212 to 256S.215, as adjusted by paragraph (b).

11.24 (b) As applicable to this section, on November 1, 2024, based on the most recently
11.25 available wage data by standard occupational classification (SOC) from the Bureau of Labor
11.26 Statistics, the commissioner shall update for each homemaker service the base wage index
11.27 in section 256S.212, publish these updated values, and load them into the appropriate rate
11.28 system.

12.1 Sec. 11. Minnesota Statutes 2020, section 256B.4911, is amended by adding a subdivision
12.2 to read:

12.3 Subd. 6. **Services provided by parents and spouses.** (a) Upon federal approval, this
12.4 subdivision limits medical assistance payments under the consumer-directed community
12.5 supports option for personal assistance services provided by a parent to the parent's minor
12.6 child or by a spouse. This subdivision applies to the consumer-directed community supports
12.7 option available under all of the following:

12.8 (1) alternative care program;

12.9 (2) brain injury waiver;

12.10 (3) community alternative care waiver;

12.11 (4) community access for disability inclusion waiver;

12.12 (5) developmental disabilities waiver;

12.13 (6) elderly waiver; and

12.14 (7) Minnesota senior health option.

12.15 (b) For the purposes of this subdivision, "parent" means a parent, stepparent, or legal
12.16 guardian of a minor.

12.17 (c) If multiple parents are providing personal assistance services to their minor child or
12.18 children, each parent may provide up to 40 hours of personal assistance services in any
12.19 seven-day period regardless of the number of children served. The total number of hours
12.20 of personal assistance services provided by all of the parents must not exceed 80 hours in
12.21 a seven-day period regardless of the number of children served.

12.22 (d) If only one parent is providing personal assistance services to a minor child or
12.23 children, the parent may provide up to 60 hours of personal assistance services in a seven-day
12.24 period regardless of the number of children served.

12.25 (e) If a spouse is providing personal assistance services, the spouse may provide up to
12.26 60 hours of personal assistance services in a seven-day period.

12.27 (f) This subdivision must not be construed to permit an increase in the total authorized
12.28 consumer-directed community supports budget for an individual.

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

13.1 Sec. 12. Minnesota Statutes 2021 Supplement, section 256B.4914, subdivision 5, as
 13.2 amended by Laws 2022, chapter 33, section 1, subdivision 5, is amended to read:

13.3 Subd. 5. **Base wage index; establishment and updates.** (a) The base wage index is
 13.4 established to determine staffing costs associated with providing services to individuals
 13.5 receiving home and community-based services. For purposes of calculating the base wage,
 13.6 Minnesota-specific wages taken from job descriptions and standard occupational
 13.7 classification (SOC) codes from the Bureau of Labor Statistics as defined in the Occupational
 13.8 Handbook must be used.

13.9 (b) The commissioner shall update the base wage index in subdivision 5a, publish these
 13.10 updated values, and load them into the rate management system as follows:

13.11 (1) on January 1, 2022, based on wage data by SOC from the Bureau of Labor Statistics
 13.12 available as of December 31, 2019;

13.13 (2) on January 1, 2023, based on wage data by SOC from the Bureau of Labor Statistics
 13.14 available as of December 31, 2020;

13.15 (3) on ~~November 1, 2024~~ January 1, 2025, based on wage data by SOC from the Bureau
 13.16 of Labor Statistics available as of December 31, ~~2021~~ 2022; and

13.17 ~~(3)~~ (4) on July 1, 2026 January 1, 2027, and every two years thereafter, based on wage
 13.18 data by SOC from the Bureau of Labor Statistics available ~~30~~ 24 months and one day prior
 13.19 to the scheduled update.

13.20 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
 13.21 whichever is later. The commissioner of human services shall notify the revisor of statutes
 13.22 when federal approval is obtained.

13.23 Sec. 13. Minnesota Statutes 2020, section 256B.4914, subdivision 8, as amended by Laws
 13.24 2022, chapter 33, section 1, subdivision 8, is amended to read:

13.25 Subd. 8. **Unit-based services with programming; component values and calculation**
 13.26 **of payment rates.** (a) For the purpose of this section, unit-based services with programming
 13.27 include employment exploration services, employment development services, employment
 13.28 support services, individualized home supports with family training, individualized home
 13.29 supports with training, and positive support services provided to an individual outside of
 13.30 any service plan for a day program or residential support service.

13.31 (b) Component values for unit-based services with programming are:

13.32 (1) competitive workforce factor: 4.7 percent;

- 14.1 (2) supervisory span of control ratio: 11 percent;
- 14.2 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;
- 14.3 (4) employee-related cost ratio: 23.6 percent;
- 14.4 (5) program plan support ratio: 15.5 percent;
- 14.5 (6) client programming and support ratio: 4.7 percent, updated as specified in subdivision
- 14.6 5b;
- 14.7 (7) general administrative support ratio: 13.25 percent;
- 14.8 (8) program-related expense ratio: 6.1 percent; and
- 14.9 (9) absence and utilization factor ratio: 3.9 percent.
- 14.10 (c) A unit of service for unit-based services with programming is 15 minutes.
- 14.11 (d) Payments for unit-based services with programming must be calculated as follows,
- 14.12 unless the services are reimbursed separately as part of a residential support services or day
- 14.13 program payment rate:
- 14.14 (1) determine the number of units of service to meet a recipient's needs;
- 14.15 (2) determine the appropriate hourly staff wage rates derived by the commissioner as
- 14.16 provided in subdivisions 5 and 5a;
- 14.17 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the
- 14.18 product of one plus the competitive workforce factor;
- 14.19 (4) for a recipient requiring customization for deaf and hard-of-hearing language
- 14.20 accessibility under subdivision 12, add the customization rate provided in subdivision 12
- 14.21 to the result of clause (3);
- 14.22 (5) multiply the number of direct staffing hours by the appropriate staff wage;
- 14.23 (6) multiply the number of direct staffing hours by the product of the supervisory span
- 14.24 of control ratio and the appropriate supervisory staff wage in subdivision 5a, clause (1);
- 14.25 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the
- 14.26 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing
- 14.27 rate;
- 14.28 (8) for program plan support, multiply the result of clause (7) by one plus the program
- 14.29 plan support ratio;

15.1 (9) for employee-related expenses, multiply the result of clause (8) by one plus the
15.2 employee-related cost ratio;

15.3 (10) for client programming and supports, multiply the result of clause (9) by one plus
15.4 the client programming and support ratio;

15.5 (11) this is the subtotal rate;

15.6 (12) sum the standard general administrative support ratio, the program-related expense
15.7 ratio, and the absence and utilization factor ratio;

15.8 (13) divide the result of clause (11) by one minus the result of clause (12). This is the
15.9 total payment amount;

15.10 (14) for services provided in a shared manner, divide the total payment in clause (13)
15.11 as follows:

15.12 (i) for employment exploration services, divide by the number of service recipients, not
15.13 to exceed five;

15.14 (ii) for employment support services, divide by the number of service recipients, not to
15.15 exceed six; and

15.16 (iii) for individualized home supports with training and individualized home supports
15.17 with family training, divide by the number of service recipients, not to exceed ~~two~~ three;
15.18 and

15.19 (15) adjust the result of clause (14) by a factor to be determined by the commissioner
15.20 to adjust for regional differences in the cost of providing services.

15.21 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
15.22 whichever occurs later. The commissioner of human services shall notify the revisor of
15.23 statutes when federal approval is obtained.

15.24 Sec. 14. Minnesota Statutes 2020, section 256B.4914, subdivision 9, as amended by Laws
15.25 2022, chapter 33, section 1, subdivision 9, is amended to read:

15.26 Subd. 9. **Unit-based services without programming; component values and**
15.27 **calculation of payment rates.** (a) For the purposes of this section, unit-based services
15.28 without programming include individualized home supports without training and night
15.29 supervision provided to an individual outside of any service plan for a day program or
15.30 residential support service. Unit-based services without programming do not include respite.

15.31 (b) Component values for unit-based services without programming are:

- 16.1 (1) competitive workforce factor: 4.7 percent;
- 16.2 (2) supervisory span of control ratio: 11 percent;
- 16.3 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;
- 16.4 (4) employee-related cost ratio: 23.6 percent;
- 16.5 (5) program plan support ratio: 7.0 percent;
- 16.6 (6) client programming and support ratio: 2.3 percent, updated as specified in subdivision
- 16.7 5b;
- 16.8 (7) general administrative support ratio: 13.25 percent;
- 16.9 (8) program-related expense ratio: 2.9 percent; and
- 16.10 (9) absence and utilization factor ratio: 3.9 percent.
- 16.11 (c) A unit of service for unit-based services without programming is 15 minutes.
- 16.12 (d) Payments for unit-based services without programming must be calculated as follows
- 16.13 unless the services are reimbursed separately as part of a residential support services or day
- 16.14 program payment rate:
- 16.15 (1) determine the number of units of service to meet a recipient's needs;
- 16.16 (2) determine the appropriate hourly staff wage rates derived by the commissioner as
- 16.17 provided in subdivisions 5 to 5a;
- 16.18 (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the
- 16.19 product of one plus the competitive workforce factor;
- 16.20 (4) for a recipient requiring customization for deaf and hard-of-hearing language
- 16.21 accessibility under subdivision 12, add the customization rate provided in subdivision 12
- 16.22 to the result of clause (3);
- 16.23 (5) multiply the number of direct staffing hours by the appropriate staff wage;
- 16.24 (6) multiply the number of direct staffing hours by the product of the supervisory span
- 16.25 of control ratio and the appropriate supervisory staff wage in subdivision 5a, clause (1);
- 16.26 (7) combine the results of clauses (5) and (6), and multiply the result by one plus the
- 16.27 employee vacation, sick, and training allowance ratio. This is defined as the direct staffing
- 16.28 rate;
- 16.29 (8) for program plan support, multiply the result of clause (7) by one plus the program
- 16.30 plan support ratio;

17.1 (9) for employee-related expenses, multiply the result of clause (8) by one plus the
17.2 employee-related cost ratio;

17.3 (10) for client programming and supports, multiply the result of clause (9) by one plus
17.4 the client programming and support ratio;

17.5 (11) this is the subtotal rate;

17.6 (12) sum the standard general administrative support ratio, the program-related expense
17.7 ratio, and the absence and utilization factor ratio;

17.8 (13) divide the result of clause (11) by one minus the result of clause (12). This is the
17.9 total payment amount;

17.10 (14) for individualized home supports without training provided in a shared manner,
17.11 divide the total payment amount in clause (13) by the number of service recipients, not to
17.12 exceed ~~two~~ three; and

17.13 (15) adjust the result of clause (14) by a factor to be determined by the commissioner
17.14 to adjust for regional differences in the cost of providing services.

17.15 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
17.16 whichever occurs later. The commissioner of human services shall notify the revisor of
17.17 statutes when federal approval is obtained.

17.18 Sec. 15. Minnesota Statutes 2020, section 256B.5012, is amended by adding a subdivision
17.19 to read:

17.20 **Subd. 19. ICF/DD rate increase effective July 1, 2022.** (a) Effective July 1, 2022, the
17.21 daily rate for a class A intermediate care facility for persons with developmental disabilities
17.22 is increased by \$50.

17.23 (b) Effective July 1, 2022, the daily rate for a class B intermediate care facility for persons
17.24 with developmental disabilities is increased by \$50.

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

17.28 Sec. 16. Minnesota Statutes 2020, section 256B.5012, is amended by adding a subdivision
17.29 to read:

17.30 **Subd. 20. ICF/DD minimum daily rates.** (a) The minimum daily rate for a class A
17.31 intermediate care facility for persons with developmental disabilities is \$300.

18.1 (b) The minimum daily rate for a class B intermediate care facility for persons with
18.2 developmental disabilities is \$400.

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

18.6 Sec. 17. Minnesota Statutes 2021 Supplement, section 256B.85, subdivision 7, is amended
18.7 to read:

18.8 Subd. 7. **Community first services and supports; covered services.** Services and
18.9 supports covered under CFSS include:

18.10 (1) assistance to accomplish activities of daily living (ADLs), instrumental activities of
18.11 daily living (IADLs), and health-related procedures and tasks through hands-on assistance
18.12 to accomplish the task or constant supervision and cueing to accomplish the task;

18.13 (2) assistance to acquire, maintain, or enhance the skills necessary for the participant to
18.14 accomplish activities of daily living, instrumental activities of daily living, or health-related
18.15 tasks;

18.16 (3) expenditures for items, services, supports, environmental modifications, or goods,
18.17 including assistive technology. These expenditures must:

18.18 (i) relate to a need identified in a participant's CFSS service delivery plan; and

18.19 (ii) increase independence or substitute for human assistance, to the extent that
18.20 expenditures would otherwise be made for human assistance for the participant's assessed
18.21 needs;

18.22 (4) observation and redirection for behavior or symptoms where there is a need for
18.23 assistance;

18.24 (5) back-up systems or mechanisms, such as the use of pagers or other electronic devices,
18.25 to ensure continuity of the participant's services and supports;

18.26 (6) services provided by a consultation services provider as defined under subdivision
18.27 17, that is under contract with the department and enrolled as a Minnesota health care
18.28 program provider;

18.29 (7) services provided by an FMS provider as defined under subdivision 13a, that is an
18.30 enrolled provider with the department;

19.1 (8) CFSS services provided by a support worker who is a parent, stepparent, or legal
 19.2 guardian of a participant under age 18, or who is the participant's spouse. ~~These support~~
 19.3 ~~workers shall not:~~ Covered services under this clause are subject to the limitations described
 19.4 in subdivision 7b; and

19.5 ~~(i) provide any medical assistance home and community-based services in excess of 40~~
 19.6 ~~hours per seven-day period regardless of the number of parents providing services,~~
 19.7 ~~combination of parents and spouses providing services, or number of children who receive~~
 19.8 ~~medical assistance services; and~~

19.9 ~~(ii) have a wage that exceeds the current rate for a CFSS support worker including the~~
 19.10 ~~wage, benefits, and payroll taxes; and~~

19.11 (9) worker training and development services as described in subdivision 18a.

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

19.15 Sec. 18. Minnesota Statutes 2021 Supplement, section 256B.85, subdivision 7a, is amended
 19.16 to read:

19.17 Subd. 7a. **Enhanced rate.** (a) An enhanced rate of 107.5 percent of the rate paid for
 19.18 CFSS must be paid for services provided to persons who qualify for ten or more hours of
 19.19 CFSS per day when provided by a support worker who meets the requirements of subdivision
 19.20 16, paragraph (e). The commissioner shall determine the enhanced rate by applying the
 19.21 following sliding scale:

19.22 (1) for persons who qualify for ten to 18 hours of CFSS, the sliding enhanced rate scale
 19.23 shall begin at 107.5 percent of the rate paid for CFSS and increase to 125 percent; and

19.24 (2) for persons who qualify for more than 18 hours of CFSS, the enhanced rate shall be
 19.25 125 percent of the rate paid for CFSS.

19.26 (b) Any change in the eligibility criteria for the enhanced rate for CFSS as described in
 19.27 this subdivision and referenced in subdivision 16, paragraph (e), does not constitute a change
 19.28 in a term or condition for individual providers as defined in section 256B.0711, and is not
 19.29 subject to the state's obligation to meet and negotiate under chapter 179A.

20.1 Sec. 19. Minnesota Statutes 2020, section 256B.85, is amended by adding a subdivision
20.2 to read:

20.3 Subd. 7b. **Services provided by parents and spouses.** (a) This subdivision applies to
20.4 services and supports described in subdivision 7, clause (8).

20.5 (b) If multiple parents are support workers providing CFSS services to their minor child
20.6 or children, each parent may provide up to 40 hours of medical assistance home and
20.7 community-based services in any seven-day period regardless of the number of children
20.8 served. The total number of hours of medical assistance home and community-based services
20.9 provided by all of the parents must not exceed 80 hours in a seven-day period regardless of
20.10 the number of children served.

20.11 (c) If only one parent is a support worker providing CFSS services to the parent's minor
20.12 child or children, the parent may provide up to 60 hours of medical assistance home and
20.13 community-based services in a seven-day period regardless of the number of children served.

20.14 (d) If a spouse is a support worker providing CFSS services, the spouse may provide up
20.15 to 60 hours of medical assistance home and community-based services in a seven-day period.

20.16 (e) Paragraphs (b) to (d) must not be construed to permit an increase in either the total
20.17 authorized service budget for an individual or the total number of authorized service units.

20.18 (f) A parent or spouse must not receive a wage that exceeds the current rate for a CFSS
20.19 support worker, including the wage, benefits, and payroll taxes.

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

20.23 Sec. 20. Minnesota Statutes 2021 Supplement, section 256B.851, subdivision 5, is amended
20.24 to read:

20.25 Subd. 5. **Payment rates; component values.** (a) The commissioner must use the
20.26 following component values:

20.27 (1) employee vacation, sick, and training factor, 8.71 percent;

20.28 (2) employer taxes and workers' compensation factor, 11.56 percent;

20.29 (3) employee benefits factor, 12.04 percent;

20.30 (4) client programming and supports factor, 2.30 percent;

20.31 (5) program plan support factor, 7.00 percent;

21.1 (6) general business and administrative expenses factor, 13.25 percent;

21.2 (7) program administration expenses factor, 2.90 percent; and

21.3 (8) absence and utilization factor, 3.90 percent.

21.4 (b) For purposes of implementation, the commissioner shall use the following
21.5 implementation components:

21.6 (1) personal care assistance services and CFSS: ~~75.45~~ 83.5 percent;

21.7 (2) enhanced rate personal care assistance services and enhanced rate CFSS: ~~75.45~~ 83.5
21.8 percent; and

21.9 (3) qualified professional services and CFSS worker training and development: ~~75.45~~
21.10 83.5 percent.

21.11 **EFFECTIVE DATE.** This section is effective January 1, 2023, or 60 days following
21.12 federal approval, whichever is later. The commissioner of human services shall notify the
21.13 revisor of statutes when federal approval is obtained.

21.14 Sec. 21. Minnesota Statutes 2020, section 256I.05, is amended by adding a subdivision
21.15 to read:

21.16 **Subd. 1s. Supplemental rate; Douglas County.** Notwithstanding the provisions in this
21.17 section, a county agency shall negotiate a supplemental rate for up to 20 beds in addition
21.18 to the rate specified in subdivision 1, not to exceed the maximum rate allowed under
21.19 subdivision 1a, including any legislatively authorized inflationary adjustments, for a housing
21.20 support provider located in Douglas County that operates two facilities and provides room
21.21 and board and supplementary services to adult males recovering from substance use disorder,
21.22 mental illness, or housing instability.

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

21.24 Sec. 22. Laws 2014, chapter 312, article 27, section 75, is amended to read:

21.25 **Sec. 75. PROVIDER RATE AND GRANT INCREASES EFFECTIVE JULY 1, 2014.**

21.26 (a) The commissioner of human services shall increase reimbursement rates, grants,
21.27 allocations, individual limits, and rate limits, as applicable, by five percent for the rate period
21.28 beginning July 1, 2014, for services rendered on or after July 1, 2014. County or tribal
21.29 contracts for services, grants, and programs under paragraph (b) must be amended to pass
21.30 through these rate increases by September 1, 2014.

- 22.1 (b) The rate changes described in this section must be provided to:
- 22.2 (1) home and community-based waived services for persons with developmental
22.3 disabilities, including consumer-directed community supports, under Minnesota Statutes,
22.4 section 256B.092;
- 22.5 (2) waived services under community alternatives for disabled individuals, including
22.6 consumer-directed community supports, under Minnesota Statutes, section 256B.49;
- 22.7 (3) community alternative care waived services, including consumer-directed
22.8 community supports, under Minnesota Statutes, section 256B.49;
- 22.9 (4) brain injury waived services, including consumer-directed community supports,
22.10 under Minnesota Statutes, section 256B.49;
- 22.11 (5) home and community-based waived services for the elderly under Minnesota
22.12 Statutes, section 256B.0915;
- 22.13 (6) nursing services and home health services under Minnesota Statutes, section
22.14 256B.0625, subdivision 6a;
- 22.15 (7) personal care services and qualified professional supervision of personal care services
22.16 under Minnesota Statutes, section 256B.0625, subdivisions 6a and 19a;
- 22.17 (8) private duty nursing services under Minnesota Statutes, section 256B.0625,
22.18 subdivision 7;
- 22.19 (9) community first services and supports under Minnesota Statutes, section 256B.85;
- 22.20 (10) essential community supports under Minnesota Statutes, section 256B.0922;
- 22.21 ~~(11) day training and habilitation services for adults with developmental disabilities~~
22.22 ~~under Minnesota Statutes, sections 252.41 to 252.46, including the additional cost to counties~~
22.23 ~~of the rate adjustments on day training and habilitation services, provided as a social service;~~
- 22.24 ~~(12)~~ alternative care services under Minnesota Statutes, section 256B.0913;
- 22.25 ~~(13)~~ (12) living skills training programs for persons with intractable epilepsy who need
22.26 assistance in the transition to independent living under Laws 1988, chapter 689;
- 22.27 ~~(14)~~ (13) semi-independent living services (SILS) under Minnesota Statutes, section
22.28 252.275;
- 22.29 ~~(15)~~ (14) consumer support grants under Minnesota Statutes, section 256.476;
- 22.30 ~~(16)~~ (15) family support grants under Minnesota Statutes, section 252.32;

- 23.1 ~~(17)~~ (16) housing access grants under Minnesota Statutes, section 256B.0658;
- 23.2 ~~(18)~~ (17) self-advocacy grants under Laws 2009, chapter 101;
- 23.3 ~~(19)~~ (18) technology grants under Laws 2009, chapter 79;
- 23.4 ~~(20)~~ (19) aging grants under Minnesota Statutes, sections 256.975 to 256.977 and
- 23.5 256B.0917;
- 23.6 ~~(21)~~ (20) deaf and hard-of-hearing grants, including community support services for
- 23.7 deaf and hard-of-hearing adults with mental illness who use or wish to use sign language
- 23.8 as their primary means of communication under Minnesota Statutes, section 256.01,
- 23.9 subdivision 2;
- 23.10 ~~(22)~~ (21) deaf and hard-of-hearing grants under Minnesota Statutes, sections 256C.233,
- 23.11 256C.25, and 256C.261;
- 23.12 ~~(23)~~ (22) Disability Linkage Line grants under Minnesota Statutes, section 256.01,
- 23.13 subdivision 24;
- 23.14 ~~(24)~~ (23) transition initiative grants under Minnesota Statutes, section 256.478;
- 23.15 ~~(25)~~ (24) employment support grants under Minnesota Statutes, section 256B.021,
- 23.16 subdivision 6; and
- 23.17 ~~(26)~~ (25) grants provided to people who are eligible for the Housing Opportunities for
- 23.18 Persons with AIDS program under Minnesota Statutes, section 256B.492.
- 23.19 (c) A managed care plan or county-based purchasing plan receiving state payments for
- 23.20 the services grants and programs in paragraph (b) must include these increases in their
- 23.21 payments to providers. To implement the rate increase in paragraph (a), capitation rates
- 23.22 paid by the commissioner to managed care plans and county-based purchasing plans under
- 23.23 Minnesota Statutes, section 256B.69, shall reflect a five percent increase for the services
- 23.24 and programs specified in paragraph (b) for the period beginning July 1, 2014.
- 23.25 (d) Counties shall increase the budget for each recipient of consumer-directed community
- 23.26 supports by the amount in paragraph (a) on July 1, 2014.
- 23.27 (e) To receive the rate increase described in this section, providers under paragraphs (a)
- 23.28 and (b) must submit to the commissioner documentation that identifies a quality improvement
- 23.29 project that the provider will implement by June 30, 2015. Documentation must be provided
- 23.30 in a format specified by the commissioner. Projects must:
- 23.31 (1) improve the quality of life of home and community-based services recipients in a
- 23.32 meaningful way;

24.1 (2) improve the quality of services in a measurable way; or

24.2 (3) deliver good quality service more efficiently while using the savings to enhance
24.3 services for the participants served.

24.4 Providers listed in paragraph (b), clauses (7), (9), (10), and ~~(13)~~ (12) to ~~(26)~~ (25), are not
24.5 subject to this requirement.

24.6 (f) For a provider that fails to submit documentation described in paragraph (e) by a date
24.7 or in a format specified by the commissioner, the commissioner shall reduce the provider's
24.8 rate by one percent effective January 1, 2015.

24.9 (g) Providers that receive a rate increase under paragraph (a) shall use 80 percent of the
24.10 additional revenue to increase compensation-related costs for employees directly employed
24.11 by the program on or after July 1, 2014, except:

24.12 (1) persons employed in the central office of a corporation or entity that has an ownership
24.13 interest in the provider or exercises control over the provider; and

24.14 (2) persons paid by the provider under a management contract.

24.15 This requirement is subject to audit by the commissioner.

24.16 (h) Compensation-related costs include:

24.17 (1) wages and salaries;

24.18 (2) the employer's share of FICA taxes, Medicare taxes, state and federal unemployment
24.19 taxes, workers' compensation, and mileage reimbursement;

24.20 (3) the employer's share of health and dental insurance, life insurance, disability insurance,
24.21 long-term care insurance, uniform allowance, pensions, and contributions to employee
24.22 retirement accounts; and

24.23 (4) other benefits provided and workforce needs, including the recruiting and training
24.24 of employees as specified in the distribution plan required under paragraph (m).

24.25 (i) For public employees under a collective bargaining agreement, the increase for wages
24.26 and benefits is available and pay rates must be increased only to the extent that the increases
24.27 comply with laws governing public employees' collective bargaining. Money received by
24.28 a provider for pay increases for public employees under paragraph (g) must be used only
24.29 for pay increases implemented between July 1, 2014, and August 1, 2014.

24.30 (j) For a provider that has employees that are represented by an exclusive bargaining
24.31 representative, the provider shall obtain a letter of acceptance of the distribution plan required

25.1 under paragraph (m), in regard to the members of the bargaining unit, signed by the exclusive
25.2 bargaining agent. Upon receipt of the letter of acceptance, the provider shall be deemed to
25.3 have met all the requirements of this section in regard to the members of the bargaining
25.4 unit. Upon request, the provider shall produce the letter of acceptance for the commissioner.

25.5 (k) The commissioner shall amend state grant contracts that include direct
25.6 personnel-related grant expenditures to include the allocation for the portion of the contract
25.7 related to employee compensation. Grant contracts for compensation-related services must
25.8 be amended to pass through these adjustments by September 1, 2014, and must be retroactive
25.9 to July 1, 2014.

25.10 (l) The Board on Aging and its area agencies on aging shall amend their grants that
25.11 include direct personnel-related grant expenditures to include the rate adjustment for the
25.12 portion of the grant related to employee compensation. Grants for compensation-related
25.13 services must be amended to pass through these adjustments by September 1, 2014, and
25.14 must be retroactive to July 1, 2014.

25.15 (m) A provider that receives a rate adjustment under paragraph (a) that is subject to
25.16 paragraph (g) shall prepare, and upon request submit to the commissioner, a distribution
25.17 plan that specifies the amount of money the provider expects to receive that is subject to
25.18 the requirements of paragraph (g), including how that money will be distributed to increase
25.19 compensation for employees. The commissioner may recover funds from a provider that
25.20 fails to comply with this requirement.

25.21 (n) By January 1, 2015, the provider shall post the distribution plan required under
25.22 paragraph (m) for a period of at least six weeks in an area of the provider's operation to
25.23 which all eligible employees have access and shall provide instructions for employees who
25.24 do not believe they have received the wage and other compensation-related increases
25.25 specified in the distribution plan. The instructions must include a mailing address, e-mail
25.26 address, and telephone number that the employee may use to contact the commissioner or
25.27 the commissioner's representative.

25.28 (o) For providers with rates established under Minnesota Statutes, section 256B.4914,
25.29 and with a historical rate established under Minnesota Statutes, section 256B.4913,
25.30 subdivision 4a, paragraph (b), that is greater than the rate established under Minnesota
25.31 Statutes, section 256B.4914, the requirements in paragraph (g) must only apply to the portion
25.32 of the rate increase that exceeds the difference between the rate established under Minnesota
25.33 Statutes, section 256B.4914, and the banding value established under Minnesota Statutes,
25.34 section 256B.4913, subdivision 4a, paragraph (b).

27.1 onetime appropriation. This appropriation is
27.2 available only if the labor agreement between
27.3 the state of Minnesota and the Service
27.4 Employees International Union Healthcare
27.5 Minnesota under Minnesota Statutes, section
27.6 179A.54, is approved under Minnesota
27.7 Statutes, section 3.855.

27.8 **(b) Parent-to-Parent Peer Support.** \$125,000
27.9 in fiscal year 2022 and \$125,000 in fiscal year
27.10 2023 are from the general fund for a grant to
27.11 an alliance member of Parent to Parent USA
27.12 to support the alliance member's
27.13 parent-to-parent peer support program for
27.14 families of children with a disability or special
27.15 health care need.

27.16 **(c) Self-Advocacy Grants.** (1) \$143,000 in
27.17 fiscal year 2022 and \$143,000 in fiscal year
27.18 2023 are from the general fund for a grant
27.19 under Minnesota Statutes, section 256.477,
27.20 subdivision 1.

27.21 (2) \$105,000 in fiscal year 2022 and \$105,000
27.22 in fiscal year 2023 are from the general fund
27.23 for subgrants under Minnesota Statutes,
27.24 section 256.477, subdivision 2.

27.25 **(d) Minnesota Inclusion Initiative Grants.**
27.26 \$150,000 in fiscal year 2022 and \$150,000 in
27.27 fiscal year 2023 are from the general fund for
27.28 grants under Minnesota Statutes, section
27.29 256.4772.

27.30 **(e) Grants to Expand Access to Child Care**
27.31 **for Children with Disabilities.** \$250,000 in
27.32 fiscal year 2022 and \$250,000 in fiscal year
27.33 2023 are from the general fund for grants to

28.1 expand access to child care for children with
28.2 disabilities. This is a onetime appropriation.

28.3 **(f) Parenting with a Disability Pilot Project.**

28.4 The general fund base includes \$1,000,000 in
28.5 fiscal year 2024 and \$0 in fiscal year 2025 to
28.6 implement the parenting with a disability pilot
28.7 project.

28.8 **(g) Base Level Adjustment.** The general fund
28.9 base is ~~\$29,260,000~~ \$28,449,000 in fiscal year
28.10 2024 and ~~\$22,260,000~~ \$21,449,000 in fiscal
28.11 year 2025.

28.12 Sec. 25. Laws 2021, First Special Session chapter 7, article 17, section 14, is amended to
28.13 read:

28.14 Sec. 14. **TASK FORCE ON ~~ELIMINATING~~ SUBMINIMUM WAGES.**

28.15 Subdivision 1. **Establishment; purpose.** The Task Force on ~~Eliminating~~ Subminimum
28.16 Wages is established to develop a plan and make recommendations to ~~phase out payment~~
28.17 ~~of subminimum wages to people with disabilities on or before August 1, 2025~~ promote
28.18 independence and increase opportunities for people with disabilities to earn competitive
28.19 wages.

28.20 Subd. 2. **Definitions.** For the purposes of this section, "subminimum wage" means wages
28.21 authorized under section 14(c) of the federal Fair Labor Standards Act, Minnesota Statutes,
28.22 section 177.28, subdivision 5, or Minnesota Rules, parts 5200.0030 and 5200.0040.

28.23 Subd. 3. **Membership.** (a) The task force consists of ~~16~~ 20 members, appointed as
28.24 follows:

28.25 (1) the commissioner of human services or a designee;

28.26 (2) the commissioner of labor and industry or a designee;

28.27 (3) the commissioner of education or a designee;

28.28 (4) the commissioner of employment and economic development or a designee;

28.29 (5) a representative of the Department of Employment and Economic Development's
28.30 Vocational Rehabilitation Services Division appointed by the commissioner of employment
28.31 and economic development;

29.1 (6) one member appointed by the Minnesota Disability Law Center;

29.2 (7) one member appointed by The Arc of Minnesota;

29.3 (8) ~~three~~ four members who are persons with disabilities appointed by the commissioner
29.4 of human services, at least one of whom ~~must be~~ is neurodiverse, ~~and~~ at least one of whom
29.5 ~~must have~~ has a significant physical disability, and at least one of whom at the time of the
29.6 appointment is being paid a subminimum wage;

29.7 (9) two representatives of employers authorized to pay subminimum wage and one
29.8 representative of an employer who successfully transitioned away from payment of
29.9 subminimum wages to people with disabilities, appointed by the commissioner of human
29.10 services;

29.11 (10) one member appointed by the Minnesota Organization for Habilitation and
29.12 Rehabilitation;

29.13 (11) one member appointed by ARRM; ~~and~~

29.14 (12) one member appointed by the State Rehabilitation Council; and

29.15 (13) three members who are parents or guardians of persons with disabilities appointed
29.16 by the commissioner of human services, at least one of whom is a parent or guardian of a
29.17 person who is neurodiverse, at least one of whom is a parent or guardian of a person with
29.18 a significant physical disability, and at least one of whom is a parent or guardian of a person
29.19 being paid a subminimum wage as of the date of the appointment.

29.20 (b) To the extent possible, membership on the task force under paragraph (a) shall reflect
29.21 geographic parity throughout the state and representation from Black, Indigenous, and
29.22 communities of color.

29.23 Subd. 4. **Appointment deadline; first meeting; chair.** Appointing authorities must
29.24 complete member selections by January 1, 2022. The commissioner of human services shall
29.25 convene the first meeting of the task force by February 15, 2022. The task force shall select
29.26 a chair from among its members at its first meeting.

29.27 Subd. 5. **Compensation.** Members shall be compensated and may be reimbursed for
29.28 expenses as provided in Minnesota Statutes, section 15.059, subdivision 3.

29.29 Subd. 6. **Duties; plan and recommendations.** The task force shall:

29.30 (1) develop a plan to ~~phase out the payment of subminimum wages to people with~~
29.31 ~~disabilities by August 1, 2025~~ promote independence and increase opportunities for people
29.32 with disabilities to earn competitive wages;

30.1 (2) consult with and advise the commissioner of human services on statewide plans for
30.2 ~~limiting~~ reducing reliance on subminimum wages in medical assistance home and
30.3 community-based services waivers under Minnesota Statutes, sections 256B.092 and
30.4 256B.49;

30.5 (3) engage with employees with disabilities paid subminimum wages and conduct
30.6 community education on the payment of subminimum wages to people with disabilities in
30.7 Minnesota;

30.8 (4) identify and collaborate with employees, employers, businesses, organizations,
30.9 agencies, and stakeholders ~~impacted by the phase out of subminimum wage~~ on how to
30.10 implement the plan and create sustainable work opportunities for employees with disabilities;

30.11 (5) propose a plan to establish and evaluate benchmarks for measuring annual progress
30.12 toward ~~eliminating~~ reducing reliance on subminimum wages;

30.13 (6) propose a plan to monitor and track outcomes of employees with disabilities, including
30.14 those who transition to competitive employment;

30.15 (7) identify initiatives, investment, training, and services designed to improve wages,
30.16 reduce unemployment rates, and provide support and sustainable work opportunities for
30.17 persons with disabilities;

30.18 (8) identify benefits to the state ~~in eliminating~~ of reducing reliance on subminimum
30.19 ~~wage by August 1, 2025~~ wages;

30.20 (9) identify barriers to eliminating ~~subminimum wage by August 1, 2025~~ wages, including
30.21 the cost of implementing and providing ongoing employment services, training, and support
30.22 for employees with disabilities ~~and~~, the cost of paying minimum ~~wage~~ wages to employees
30.23 with disabilities, and the potential impact on persons with disabilities who would be unable
30.24 to find sustainable employment in the absence of a subminimum wage or who would not
30.25 choose competitive employment;

30.26 (10) make recommendations to eliminate the barriers identified in clause (9); and

30.27 (11) identify and make recommendations for sustainable financial support, funding, and
30.28 resources for ~~eliminating~~ reducing reliance on ~~subminimum wage by August 1, 2025~~ wages.

30.29 Subd. 7. **Duties; provider reinvention grants.** (a) The commissioner of human services
30.30 shall establish a provider reinvention grant program to promote independence and increase
30.31 opportunities for people with disabilities to earn competitive wages. The commissioner
30.32 shall make the grants available to at least the following:

31.1 (1) providers of disability services under Minnesota Statutes, sections 256B.092 and
31.2 256B.49, for developing and implementing a business plan to shift the providers' business
31.3 models away from paying waiver participants subminimum wages;

31.4 (2) organizations to develop peer-to-peer mentoring for people with disabilities who
31.5 have successfully transitioned to earning competitive wages;

31.6 (3) organizations to facilitate provider-to-provider mentoring to promote shifting away
31.7 from paying employees with disabilities a subminimum wage; and

31.8 (4) organizations to conduct family outreach and education on working with people with
31.9 disabilities who are transitioning from subminimum wage employment to competitive
31.10 employment.

31.11 (b) The provider reinvention grant program must be competitive. The commissioner of
31.12 human services must develop criteria for evaluating responses to requests for proposals.
31.13 Criteria for evaluating grant applications must be finalized no later than November 1, 2021.
31.14 The commissioner of human services shall administer grants in compliance with Minnesota
31.15 Statutes, sections 16B.97 and 16B.98, and related policies set forth by the Department of
31.16 Administration's Office of Grants Management.

31.17 (c) Grantees must work with the commissioner to develop their business model and, as
31.18 a condition of receiving grant funds, grantees must fully phase out the use of subminimum
31.19 wage by April 1, 2024, unless the grantee receives a waiver from the commissioner of
31.20 human services for a demonstrated need.

31.21 (d) Of the total amount available for provider reinvention grants, the commissioner may
31.22 award up to 25 percent of the grant funds to providers who have already successfully shifted
31.23 their business model away from paying employees with disabilities subminimum wages to
31.24 provide provider-to-provider mentoring to providers receiving a provider reinvention grant.

31.25 Subd. 8. **Report.** By February 15, 2023, the task force shall submit to the chairs and
31.26 ranking minority members of the committees and divisions in the senate and house of
31.27 representatives with jurisdiction over employment and wages and over health and human
31.28 services a report with recommendations to ~~eliminate by August 1, 2025, the payment of~~
31.29 ~~subminimum wage~~ increase opportunities for people with disabilities to earn competitive
31.30 wages, and any changes to statutes, laws, or rules required to implement the recommendations
31.31 of the task force. The task force must include in the report a recommendation concerning
31.32 continuing the task force beyond its scheduled expiration.

32.1 Subd. 9. **Administrative support.** The commissioner of human services shall provide
32.2 meeting space and administrative services to the task force.

32.3 Subd. 10. **Expiration.** The task force shall conclude their duties and expire on March
32.4 31, 2024.

32.5 **EFFECTIVE DATE.** This section is effective the day following final enactment. The
32.6 commissioner of human services must make the additional appointments required under
32.7 this section within 30 days following final enactment.

32.8 Sec. 26. Laws 2022, chapter 33, section 1, subdivision 3, is amended to read:

32.9 Subd. 3. **Applicable services.** Applicable services are those authorized under the state's
32.10 home and community-based services waivers under sections 256B.092 and 256B.49,
32.11 including the following, as defined in the federally approved home and community-based
32.12 services plan:

- 32.13 (1) 24-hour customized living;
- 32.14 (2) adult day services;
- 32.15 (3) adult day services bath;
- 32.16 (4) community residential services;
- 32.17 (5) customized living;
- 32.18 (6) day support services;
- 32.19 (7) employment development services;
- 32.20 (8) employment exploration services;
- 32.21 (9) employment support services;
- 32.22 (10) family residential services;
- 32.23 (11) individualized home supports;
- 32.24 (12) individualized home supports with family training;
- 32.25 (13) individualized home supports with training;
- 32.26 (14) integrated community supports;
- 32.27 (15) night supervision;
- 32.28 (16) positive support services;
- 32.29 (17) prevocational services;

33.1 (18) residential support services;

33.2 (19) ~~respite services~~;

33.3 ~~(20)~~ transportation services; and

33.4 ~~(21)~~ (20) other services as approved by the federal government in the state home and
33.5 community-based services waiver plan.

33.6 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
33.7 whichever is later. The commissioner of human services shall inform the revisor of statutes
33.8 when federal approval is obtained.

33.9 Sec. 27. Laws 2022, chapter 33, section 1, subdivision 4, is amended to read:

33.10 Subd. 4. **Data collection for rate determination.** (a) Rates for applicable home and
33.11 community-based waived services, including customized rates under subdivision 12, are
33.12 set by the rates management system.

33.13 (b) Data and information in the rates management system must be used to calculate an
33.14 individual's rate.

33.15 (c) Service providers, with information from the coordinated service and support plan
33.16 and oversight by lead agencies, shall provide values and information needed to calculate
33.17 an individual's rate in the rates management system. The determination of service levels
33.18 must be part of a discussion with members of the support team as defined in section 245D.02,
33.19 subdivision 34. This discussion must occur prior to the final establishment of each individual's
33.20 rate. The values and information include:

33.21 (1) shared staffing hours;

33.22 (2) individual staffing hours;

33.23 (3) direct registered nurse hours;

33.24 (4) direct licensed practical nurse hours;

33.25 (5) staffing ratios;

33.26 (6) information to document variable levels of service qualification for variable levels
33.27 of reimbursement in each framework;

33.28 (7) shared or individualized arrangements for unit-based services, including the staffing
33.29 ratio;

33.30 (8) number of trips and miles for transportation services; and

34.1 (9) service hours provided through monitoring technology.

34.2 (d) Updates to individual data must include:

34.3 (1) data for each individual that is updated annually when renewing service plans; and

34.4 (2) requests by individuals or lead agencies to update a rate whenever there is a change
34.5 in an individual's service needs, with accompanying documentation.

34.6 (e) Lead agencies shall review and approve all services reflecting each individual's needs,
34.7 and the values to calculate the final payment rate for services with variables under
34.8 subdivisions 6 to ~~9a~~ 9 for each individual. Lead agencies must notify the individual and the
34.9 service provider of the final agreed-upon values and rate, and provide information that is
34.10 identical to what was entered into the rates management system. If a value used was
34.11 mistakenly or erroneously entered and used to calculate a rate, a provider may petition lead
34.12 agencies to correct it. Lead agencies must respond to these requests. When responding to
34.13 the request, the lead agency must consider:

34.14 (1) meeting the health and welfare needs of the individual or individuals receiving
34.15 services by service site, identified in their coordinated service and support plan under section
34.16 245D.02, subdivision 4b, and any addendum under section 245D.02, subdivision 4c;

34.17 (2) meeting the requirements for staffing under subdivision 2, paragraphs (h), (n), and
34.18 (o); and meeting or exceeding the licensing standards for staffing required under section
34.19 245D.09, subdivision 1; and

34.20 (3) meeting the staffing ratio requirements under subdivision 2, paragraph (o), and
34.21 meeting or exceeding the licensing standards for staffing required under section 245D.31.

34.22 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
34.23 whichever is later. The commissioner of human services shall inform the revisor of statutes
34.24 when federal approval is obtained.

34.25 Sec. 28. Laws 2022, chapter 33, section 1, subdivision 5a, is amended to read:

34.26 Subd. 5a. **Base wage index; calculations.** The base wage index must be calculated as
34.27 follows:

34.28 (1) for supervisory staff, 100 percent of the median wage for community and social
34.29 services specialist (SOC code 21-1099), with the exception of the supervisor of positive
34.30 supports professional, positive supports analyst, and positive supports specialist, which is
34.31 100 percent of the median wage for clinical counseling and school psychologist (SOC code
34.32 19-3031);

35.1 (2) for registered nurse staff, 100 percent of the median wage for registered nurses (SOC
35.2 code 29-1141);

35.3 (3) for licensed practical nurse staff, 100 percent of the median wage for licensed practical
35.4 nurses (SOC code 29-2061);

35.5 (4) for residential asleep-overnight staff, the minimum wage in Minnesota for large
35.6 employers, with the exception of asleep-overnight staff for family residential services, which
35.7 is 36 percent of the minimum wage in Minnesota for large employers;

35.8 (5) for residential direct care staff, the sum of:

35.9 (i) 15 percent of the subtotal of 50 percent of the median wage for home health and
35.10 personal care aide (SOC code 31-1120); 30 percent of the median wage for nursing assistant
35.11 (SOC code 31-1131); and 20 percent of the median wage for social and human services
35.12 aide (SOC code 21-1093); and

35.13 (ii) 85 percent of the subtotal of 40 percent of the median wage for home health and
35.14 personal care aide (SOC code 31-1120); 20 percent of the median wage for nursing assistant
35.15 (SOC code 31-1014); 20 percent of the median wage for psychiatric technician (SOC code
35.16 29-2053); and 20 percent of the median wage for social and human services aide (SOC code
35.17 21-1093);

35.18 (6) for adult day services staff, 70 percent of the median wage for nursing assistant (SOC
35.19 code 31-1131); and 30 percent of the median wage for home health and personal care aide
35.20 (SOC code 31-1120);

35.21 (7) for day support services staff and prevocational services staff, 20 percent of the
35.22 median wage for nursing assistant (SOC code 31-1131); 20 percent of the median wage for
35.23 psychiatric technician (SOC code 29-2053); and 60 percent of the median wage for social
35.24 and human services aide (SOC code 21-1093);

35.25 (8) for positive supports analyst staff, 100 percent of the median wage for substance
35.26 abuse, behavioral disorder, and mental health counselor (SOC code 21-1018);

35.27 (9) for positive supports professional staff, 100 percent of the median wage for clinical
35.28 counseling and school psychologist (SOC code 19-3031);

35.29 (10) for positive supports specialist staff, 100 percent of the median wage for psychiatric
35.30 technicians (SOC code 29-2053);

35.31 (11) for individualized home supports with family training staff, 20 percent of the median
35.32 wage for nursing aide (SOC code 31-1131); 30 percent of the median wage for community

36.1 social service specialist (SOC code 21-1099); 40 percent of the median wage for social and
 36.2 human services aide (SOC code 21-1093); and ten percent of the median wage for psychiatric
 36.3 technician (SOC code 29-2053);

36.4 (12) for individualized home supports with training services staff, 40 percent of the
 36.5 median wage for community social service specialist (SOC code 21-1099); 50 percent of
 36.6 the median wage for social and human services aide (SOC code 21-1093); and ten percent
 36.7 of the median wage for psychiatric technician (SOC code 29-2053);

36.8 (13) for employment support services staff, 50 percent of the median wage for
 36.9 rehabilitation counselor (SOC code 21-1015); and 50 percent of the median wage for
 36.10 community and social services specialist (SOC code 21-1099);

36.11 (14) for employment exploration services staff, 50 percent of the median wage for
 36.12 ~~rehabilitation counselor (SOC code 21-1015)~~ education, guidance, school, and vocational
 36.13 counselors (SOC code 21-1012); and 50 percent of the median wage for community and
 36.14 social services specialist (SOC code 21-1099);

36.15 (15) for employment development services staff, 50 percent of the median wage for
 36.16 education, guidance, school, and vocational counselors (SOC code 21-1012); and 50 percent
 36.17 of the median wage for community and social services specialist (SOC code 21-1099);

36.18 (16) for individualized home support without training staff, 50 percent of the median
 36.19 wage for home health and personal care aide (SOC code 31-1120); and 50 percent of the
 36.20 median wage for nursing assistant (SOC code 31-1131); and

36.21 (17) for night supervision staff, 40 percent of the median wage for home health and
 36.22 personal care aide (SOC code 31-1120); 20 percent of the median wage for nursing assistant
 36.23 (SOC code 31-1131); 20 percent of the median wage for psychiatric technician (SOC code
 36.24 29-2053); and 20 percent of the median wage for social and human services aide (SOC code
 36.25 21-1093); ~~and~~

36.26 ~~(18) for respite staff, 50 percent of the median wage for home health and personal care~~
 36.27 ~~aide (SOC code 31-1131); and 50 percent of the median wage for nursing assistant (SOC~~
 36.28 ~~code 31-1014).~~

36.29 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
 36.30 whichever is later. The commissioner of human services shall inform the revisor of statutes
 36.31 when federal approval is obtained.

37.1 Sec. 29. Laws 2022, chapter 33, section 1, subdivision 5b, is amended to read:

37.2 Subd. 5b. **Standard component value adjustments.** The commissioner shall update
 37.3 the client and programming support, transportation, and program facility cost component
 37.4 values as required in subdivisions 6 to ~~9a~~ 9 for changes in the Consumer Price Index. The
 37.5 commissioner shall adjust these values higher or lower, publish these updated values, and
 37.6 load them into the rate management system as follows:

37.7 (1) on January 1, 2022, by the percentage change in the CPI-U from the date of the
 37.8 previous update to the data available on December 31, 2019;

37.9 (2) on January 1, 2023, by the percentage change in the CPI-U from the date of previous
 37.10 update to the data available on December 31, 2021;

37.11 (3) on ~~November 1, 2024~~ January 1, 2025, by the percentage change in the CPI-U from
 37.12 the date of the previous update to the data available as of December 31, ~~2024~~ 2023; and

37.13 ~~(3)~~ (4) on July 1, 2026 January 1, 2027, and every two years thereafter, by the percentage
 37.14 change in the CPI-U from the date of the previous update to the data available ~~30~~ 12 months
 37.15 and one day prior to the scheduled update.

37.16 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
 37.17 whichever is later. The commissioner of human services shall notify the revisor of statutes
 37.18 when federal approval is obtained.

37.19 Sec. 30. Laws 2022, chapter 33, section 1, subdivision 5c, is amended to read:

37.20 Subd. 5c. **Removal of after-framework adjustments.** Any rate adjustments applied to
 37.21 the service rates calculated under this section outside of the cost components and rate
 37.22 methodology specified in this section shall be removed from rate calculations upon
 37.23 implementation of the updates under subdivisions 5 ~~and~~, 5b, and 5f.

37.24 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
 37.25 whichever is later. The commissioner of human services shall notify the revisor of statutes
 37.26 when federal approval is obtained.

37.27 Sec. 31. Laws 2022, chapter 33, section 1, subdivision 5d, is amended to read:

37.28 Subd. 5d. **Unavailable data for updates and adjustments.** If Bureau of Labor Statistics
 37.29 occupational codes or Consumer Price Index items specified in subdivisions 5 ~~or~~, 5b, or 5f
 37.30 are unavailable in the future, the commissioner shall recommend to the legislature codes or
 37.31 items to update and replace.

38.1 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
38.2 whichever is later. The commissioner of human services shall notify the revisor of statutes
38.3 when federal approval is obtained.

38.4 Sec. 32. Laws 2022, chapter 33, section 1, is amended by adding a subdivision to read:

38.5 Subd. 5f. **Competitive workforce factor adjustments.** (a) On January 1, 2023, and
38.6 every two years thereafter, the commissioner shall update the competitive workforce factor
38.7 to equal the differential between:

38.8 (1) the most recently available wage data by SOC code for the weighted average wage
38.9 for direct care staff for residential services and direct care staff for day services; and

38.10 (2) the most recently available wage data by SOC code of the weighted average wage
38.11 of comparable occupations.

38.12 (b) For each update of the competitive workforce factor, the update shall not decrease
38.13 the competitive workforce factor by more than 2.0. If the competitive workforce factor is
38.14 less than or equal to zero, then the competitive workforce factor is zero.

38.15 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
38.16 whichever is later. The commissioner of human services shall notify the revisor of statutes
38.17 when federal approval is obtained.

38.18 Sec. 33. Laws 2022, chapter 33, section 1, subdivision 10, is amended to read:

38.19 Subd. 10. **Evaluation of information and data.** (a) The commissioner shall, within
38.20 available resources, conduct research and gather data and information from existing state
38.21 systems or other outside sources on the following items:

38.22 (1) differences in the underlying cost to provide services and care across the state;

38.23 (2) mileage, vehicle type, lift requirements, incidents of individual and shared rides, and
38.24 units of transportation for all day services, which must be collected from providers using
38.25 the rate management worksheet and entered into the rates management system; and

38.26 (3) the distinct underlying costs for services provided by a license holder under sections
38.27 245D.05, 245D.06, 245D.07, 245D.071, 245D.081, and 245D.09, and for services provided
38.28 by a license holder certified under section 245D.33.

38.29 (b) The commissioner, in consultation with stakeholders, shall review and evaluate the
38.30 following values already in subdivisions 6 to ~~9a~~ 9, or issues that impact all services, including,
38.31 but not limited to:

- 39.1 (1) values for transportation rates;
- 39.2 (2) values for services where monitoring technology replaces staff time;
- 39.3 (3) values for indirect services;
- 39.4 (4) values for nursing;
- 39.5 (5) values for the facility use rate in day services, and the weightings used in the day
- 39.6 service ratios and adjustments to those weightings;
- 39.7 (6) values for workers' compensation as part of employee-related expenses;
- 39.8 (7) values for unemployment insurance as part of employee-related expenses;
- 39.9 (8) direct care workforce labor market measures;
- 39.10 (9) any changes in state or federal law with a direct impact on the underlying cost of
- 39.11 providing home and community-based services;
- 39.12 (10) outcome measures, determined by the commissioner, for home and community-based
- 39.13 services rates determined under this section; and
- 39.14 (11) different competitive workforce factors by service, as determined under subdivision
- 39.15 10b.

39.16 (c) The commissioner shall report to the chairs and the ranking minority members of

39.17 the legislative committees and divisions with jurisdiction over health and human services

39.18 policy and finance with the information and data gathered under paragraphs (a) and (b) on

39.19 January 15, 2021, with a full report, and a full report once every four years thereafter.

39.20 (d) Beginning July 1, 2022, the commissioner shall renew analysis and implement

39.21 changes to the regional adjustment factors once every six years. Prior to implementation,

39.22 the commissioner shall consult with stakeholders on the methodology to calculate the

39.23 adjustment.

39.24 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,

39.25 whichever is later. The commissioner of human services shall inform the revisor of statutes

39.26 when federal approval is obtained.

39.27 Sec. 34. Laws 2022, chapter 33, section 1, subdivision 10a, is amended to read:

39.28 Subd. 10a. **Reporting and analysis of cost data.** (a) The commissioner must ensure

39.29 that wage values and component values in subdivisions 5 to ~~9a~~ 9 reflect the cost to provide

39.30 the service. As determined by the commissioner, in consultation with stakeholders identified

39.31 in subdivision 17, a provider enrolled to provide services with rates determined under this

40.1 section must submit requested cost data to the commissioner to support research on the cost
40.2 of providing services that have rates determined by the disability waiver rates system.

40.3 Requested cost data may include, but is not limited to:

40.4 (1) worker wage costs;

40.5 (2) benefits paid;

40.6 (3) supervisor wage costs;

40.7 (4) executive wage costs;

40.8 (5) vacation, sick, and training time paid;

40.9 (6) taxes, workers' compensation, and unemployment insurance costs paid;

40.10 (7) administrative costs paid;

40.11 (8) program costs paid;

40.12 (9) transportation costs paid;

40.13 (10) vacancy rates; and

40.14 (11) other data relating to costs required to provide services requested by the
40.15 commissioner.

40.16 (b) At least once in any five-year period, a provider must submit cost data for a fiscal
40.17 year that ended not more than 18 months prior to the submission date. The commissioner
40.18 shall provide each provider a 90-day notice prior to its submission due date. If a provider
40.19 fails to submit required reporting data, the commissioner shall provide notice to providers
40.20 that have not provided required data 30 days after the required submission date, and a second
40.21 notice for providers who have not provided required data 60 days after the required
40.22 submission date. The commissioner shall temporarily suspend payments to the provider if
40.23 cost data is not received 90 days after the required submission date. Withheld payments
40.24 shall be made once data is received by the commissioner.

40.25 (c) The commissioner shall conduct a random validation of data submitted under
40.26 paragraph (a) to ensure data accuracy.

40.27 (d) The commissioner shall analyze cost data submitted under paragraph (a) and, in
40.28 consultation with stakeholders identified in subdivision 17, may submit recommendations
40.29 on component values and inflationary factor adjustments to the chairs and ranking minority
40.30 members of the legislative committees with jurisdiction over human services once every
40.31 four years beginning January 1, 2021. The commissioner shall make recommendations in

41.1 conjunction with reports submitted to the legislature according to subdivision 10, paragraph
41.2 (c).

41.3 (e) The commissioner shall release cost data in an aggregate form, and cost data from
41.4 individual providers shall not be released except as provided for in current law.

41.5 (f) The commissioner, in consultation with stakeholders identified in subdivision 17,
41.6 shall develop and implement a process for providing training and technical assistance
41.7 necessary to support provider submission of cost documentation required under paragraph
41.8 (a).

41.9 EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval,
41.10 whichever is later. The commissioner of human services shall inform the revisor of statutes
41.11 when federal approval is obtained.

41.12 Sec. 35. Laws 2022, chapter 33, section 1, subdivision 10c, is amended to read:

41.13 Subd. 10c. **Reporting and analysis of competitive workforce factor.** (a) Beginning
41.14 February 1, ~~2021~~ 2024, and every two years thereafter, the commissioner shall report to the
41.15 chairs and ranking minority members of the legislative committees and divisions with
41.16 jurisdiction over health and human services policy and finance an analysis of the competitive
41.17 workforce factor.

41.18 (b) The report must include ~~recommendations to update the competitive workforce factor~~
41.19 ~~using:~~

41.20 (1) the most recently available wage data by SOC code for the weighted average wage
41.21 for direct care staff for residential services and direct care staff for day services;

41.22 (2) the most recently available wage data by SOC code of the weighted average wage
41.23 of comparable occupations; and

41.24 (3) workforce data as required under subdivision 10b.

41.25 ~~(e) The commissioner shall not recommend an increase or decrease of the competitive~~
41.26 ~~workforce factor from the current value by more than two percentage points. If, after a~~
41.27 ~~biennial analysis for the next report, the competitive workforce factor is less than or equal~~
41.28 ~~to zero, the commissioner shall recommend a competitive workforce factor of zero.~~

41.29 EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval,
41.30 whichever is later. The commissioner of human services shall notify the revisor of statutes
41.31 when federal approval is obtained.

42.1 Sec. 36. Laws 2022, chapter 33, section 1, subdivision 12, is amended to read:

42.2 Subd. 12. **Customization of rates for individuals.** (a) For persons determined to have
42.3 higher needs based on being deaf or hard-of-hearing, the direct-care costs must be increased
42.4 by an adjustment factor prior to calculating the rate under subdivisions 6 to ~~9~~9. The
42.5 customization rate with respect to deaf or hard-of-hearing persons shall be \$2.50 per hour
42.6 for waiver recipients who meet the respective criteria as determined by the commissioner.

42.7 (b) For the purposes of this section, "deaf and hard-of-hearing" means:

42.8 (1) the person has a developmental disability and:

42.9 (i) an assessment score which indicates a hearing impairment that is severe or that the
42.10 person has no useful hearing;

42.11 (ii) an expressive communications score that indicates the person uses single signs or
42.12 gestures, uses an augmentative communication aid, or does not have functional
42.13 communication, or the person's expressive communications is unknown; and

42.14 (iii) a communication score which indicates the person comprehends signs, gestures,
42.15 and modeling prompts or does not comprehend verbal, visual, or gestural communication,
42.16 or that the person's receptive communication score is unknown; or

42.17 (2) the person receives long-term care services and has an assessment score that indicates
42.18 the person hears only very loud sounds, the person has no useful hearing, or a determination
42.19 cannot be made; and the person receives long-term care services and has an assessment that
42.20 indicates the person communicates needs with sign language, symbol board, written
42.21 messages, gestures, or an interpreter; communicates with inappropriate content, makes
42.22 garbled sounds or displays echolalia, or does not communicate needs.

42.23 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
42.24 whichever is later. The commissioner of human services shall inform the revisor of statutes
42.25 when federal approval is obtained.

42.26 Sec. 37. Laws 2022, chapter 33, section 1, subdivision 14, is amended to read:

42.27 Subd. 14. **Exceptions.** (a) In a format prescribed by the commissioner, lead agencies
42.28 must identify individuals with exceptional needs that cannot be met under the disability
42.29 waiver rate system. The commissioner shall use that information to evaluate and, if necessary,
42.30 approve an alternative payment rate for those individuals. Whether granted, denied, or
42.31 modified, the commissioner shall respond to all exception requests in writing. The

43.1 commissioner shall include in the written response the basis for the action and provide
43.2 notification of the right to appeal under paragraph (h).

43.3 (b) Lead agencies must act on an exception request within 30 days and notify the initiator
43.4 of the request of their recommendation in writing. A lead agency shall submit all exception
43.5 requests along with its recommendation to the commissioner.

43.6 (c) An application for a rate exception may be submitted for the following criteria:

43.7 (1) an individual has service needs that cannot be met through additional units of service;

43.8 (2) an individual's rate determined under subdivisions 6 to ~~9a~~ 9 is so insufficient that it
43.9 has resulted in an individual receiving a notice of discharge from the individual's provider;
43.10 or

43.11 (3) an individual's service needs, including behavioral changes, require a level of service
43.12 which necessitates a change in provider or which requires the current provider to propose
43.13 service changes beyond those currently authorized.

43.14 (d) Exception requests must include the following information:

43.15 (1) the service needs required by each individual that are not accounted for in subdivisions
43.16 6 to ~~9a~~ 9;

43.17 (2) the service rate requested and the difference from the rate determined in subdivisions
43.18 6 to ~~9a~~ 9;

43.19 (3) a basis for the underlying costs used for the rate exception and any accompanying
43.20 documentation; and

43.21 (4) any contingencies for approval.

43.22 (e) Approved rate exceptions shall be managed within lead agency allocations under
43.23 sections 256B.092 and 256B.49.

43.24 (f) Individual disability waiver recipients, an interested party, or the license holder that
43.25 would receive the rate exception increase may request that a lead agency submit an exception
43.26 request. A lead agency that denies such a request shall notify the individual waiver recipient,
43.27 interested party, or license holder of its decision and the reasons for denying the request in
43.28 writing no later than 30 days after the request has been made and shall submit its denial to
43.29 the commissioner in accordance with paragraph (b). The reasons for the denial must be
43.30 based on the failure to meet the criteria in paragraph (c).

43.31 (g) The commissioner shall determine whether to approve or deny an exception request
43.32 no more than 30 days after receiving the request. If the commissioner denies the request,

44.1 the commissioner shall notify the lead agency and the individual disability waiver recipient,
44.2 the interested party, and the license holder in writing of the reasons for the denial.

44.3 (h) The individual disability waiver recipient may appeal any denial of an exception
44.4 request by either the lead agency or the commissioner, pursuant to sections 256.045 and
44.5 256.0451. When the denial of an exception request results in the proposed demission of a
44.6 waiver recipient from a residential or day habilitation program, the commissioner shall issue
44.7 a temporary stay of demission, when requested by the disability waiver recipient, consistent
44.8 with the provisions of section 256.045, subdivisions 4a and 6, paragraph (c). The temporary
44.9 stay shall remain in effect until the lead agency can provide an informed choice of
44.10 appropriate, alternative services to the disability waiver.

44.11 (i) Providers may petition lead agencies to update values that were entered incorrectly
44.12 or erroneously into the rate management system, based on past service level discussions
44.13 and determination in subdivision 4, without applying for a rate exception.

44.14 (j) The starting date for the rate exception will be the later of the date of the recipient's
44.15 change in support or the date of the request to the lead agency for an exception.

44.16 (k) The commissioner shall track all exception requests received and their dispositions.
44.17 The commissioner shall issue quarterly public exceptions statistical reports, including the
44.18 number of exception requests received and the numbers granted, denied, withdrawn, and
44.19 pending. The report shall include the average amount of time required to process exceptions.

44.20 (l) Approved rate exceptions remain in effect in all cases until an individual's needs
44.21 change as defined in paragraph (c).

44.22 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
44.23 whichever is later. The commissioner of human services shall inform the revisor of statutes
44.24 when federal approval is obtained.

44.25 Sec. 38. Laws 2022, chapter 40, section 6, is amended to read:

44.26 **Sec. 6. COMMISSIONER OF HUMAN SERVICES; TEMPORARY STAFFING**
44.27 **POOL; ~~APPROPRIATION.~~**

44.28 (a) The commissioner of human services shall establish a temporary emergency staffing
44.29 pool for congregate settings and for providers of or recipients of home- and community-based
44.30 services experiencing staffing crises. Vendor contracts may include retention bonuses,
44.31 sign-on bonuses, and payment for hours on call. The commissioner may pay for necessary
44.32 training, travel, and lodging expenses of the temporary staff. Contracts for temporary staffing

45.1 executed under this section: (1) should minimize the recruitment away from providers'
 45.2 current workforces; and (2) may not be executed with an individual until at least 30 days
 45.3 since the individual was last employed in Minnesota by one of the types of facilities,
 45.4 providers, or individuals listed in paragraph (g).

45.5 (b) Temporary staff, at the request of the commissioner, may be deployed to providers
 45.6 of home- and community-based services, individual recipients of home- and
 45.7 community-based services, and long-term care facilities and other congregate care residential
 45.8 facilities and programs experiencing an emergency staffing crisis on or after the effective
 45.9 date of this section. Temporary staff must be provided at no cost to the provider, individual
 45.10 recipient, facility, or program receiving the temporary staff.

45.11 (c) Members of the temporary staffing pool under this section are not state employees.

45.12 (d) The commissioner must coordinate the activities under this section with any other
 45.13 impacted state agencies, to appropriately prioritize locations to deploy contracted temporary
 45.14 staff.

45.15 (e) The commissioner must give priority for deploying staff to providers, individual
 45.16 recipients, facilities, and programs with the most significant staffing crises and where, but
 45.17 for this assistance, residents or service recipients would be at significant risk of injury due
 45.18 to the need to transfer to ~~another~~ a facility or a hospital for adequately staffed care.

45.19 (f) A provider, individual recipient, facility, or program may seek onetime assistance
 45.20 per setting or individual service recipient from the temporary staffing pool only after the
 45.21 provider, individual recipient, facility, or program has used all resources available to obtain
 45.22 temporary staff but is unable to meet the provider's, individual's, facility's, or program's
 45.23 temporary staffing needs. A provider, individual, facility, or program may apply for
 45.24 temporary staff for up to 21 days. Applicants must submit a proposed plan for ensuring
 45.25 resident safety at the end of that time period.

45.26 (g) Providers, individuals, facilities, and programs eligible to obtain temporary staff
 45.27 from the temporary staffing pool include:

45.28 (1) nursing facilities;

45.29 (2) assisted living facilities;

45.30 (3) intermediate care facilities for persons with developmental disabilities;

45.31 (4) adult foster care ~~or~~ , community residential settings, or integrated community supports
 45.32 settings;

- 46.1 (5) licensed substance use disorder treatment facilities;
- 46.2 (6) unlicensed county-based substance use disorder treatment facilities;
- 46.3 (7) licensed facilities for adults with mental illness;
- 46.4 (8) licensed detoxification programs;
- 46.5 (9) licensed withdrawal management programs;
- 46.6 (10) licensed children's residential facilities;
- 46.7 (11) licensed child foster residence settings;
- 46.8 (12) unlicensed, Tribal-certified facilities that perform functions similar to the licensed
- 46.9 facilities listed in this paragraph;
- 46.10 (13) boarding care homes;
- 46.11 (14) board and lodging establishments serving people with disabilities or disabling
- 46.12 conditions;
- 46.13 (15) board and lodging establishments with special services;
- 46.14 (16) supervised living facilities;
- 46.15 (17) supportive housing;
- 46.16 (18) sober homes;
- 46.17 (19) community-based halfway houses for people exiting the correctional system;
- 46.18 (20) shelters serving people experiencing homelessness;
- 46.19 (21) drop-in centers for people experiencing homelessness;
- 46.20 (22) homeless outreach services for unsheltered individuals;
- 46.21 (23) shelters for people experiencing domestic violence; ~~and~~
- 46.22 (24) temporary isolation spaces for people who test positive for COVID-19;
- 46.23 (25) individuals who use consumer-directed community supports;
- 46.24 (26) individuals who use the personal care assistance choice program;
- 46.25 (27) personal care assistance provider agencies;
- 46.26 (28) individuals who use the community first services and supports budget model;
- 46.27 (29) agency-providers of community first services and supports; and
- 46.28 (30) providers of individualized home supports.

47.1 (h) Notwithstanding Minnesota Statutes, chapter 16C, the commissioner may maintain,
 47.2 extend, or renew contracts for temporary staffing entered into on or after September 1, 2020.
 47.3 The commissioner may also enter into new contracts with eligible entities for temporary
 47.4 staff deployed in the temporary staffing pool. The commissioner may use up to 6.5 percent
 47.5 of this funding for the commissioner's costs related to administration of this program.

47.6 (i) The commissioner shall seek all allowable FEMA reimbursement for the costs of this
 47.7 activity.

47.8 Sec. 39. Laws 2022, chapter 40, section 7, is amended to read:

47.9 Sec. 7. **APPROPRIATION; TEMPORARY STAFFING POOL.**

47.10 ~~\$1,029,000~~ \$5,145,000 in fiscal year 2022 is appropriated from the general fund to the
 47.11 commissioner of human services for the temporary staffing pool described in this act. This
 47.12 is a onetime appropriation and is available until June 30, ~~2022~~ 2023.

47.13 Sec. 40. **PERSONAL CARE ASSISTANCE ENHANCED RATE FOR PERSONS**
 47.14 **WHO USE CONSUMER-DIRECTED COMMUNITY SUPPORTS.**

47.15 The commissioner of human services shall increase the annual budgets for participants
 47.16 who use consumer-directed community supports under Minnesota Statutes, sections
 47.17 256B.0913, subdivision 5, clause (17); 256B.092, subdivision 1b, paragraph (a), clause (4);
 47.18 256B.49, subdivision 16, paragraph (c); and chapter 256S, by the percentage determined
 47.19 under Minnesota Statutes, section 256B.85, subdivision 7a, for participants who are
 47.20 determined by assessment to be eligible for ten or more hours of personal care assistance
 47.21 services or community first services and supports per day when the participant uses direct
 47.22 support services provided by a worker employed by the participant who has completed
 47.23 training identified in Minnesota Statutes, section 256B.0659, subdivision 11, paragraph (d),
 47.24 or 256B.85, subdivision 16, paragraph (e).

47.25 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
 47.26 whichever occurs later. The commissioner of human services shall notify the revisor of
 47.27 statutes when federal approval is obtained.

47.28 Sec. 41. **RATE INCREASE FOR CERTAIN HOME CARE SERVICES.**

47.29 (a) Effective January 1, 2023, or upon federal approval, whichever is later, the
 47.30 commissioner of human services shall increase payment rates for home health aide visits
 47.31 up to 14 percent from the rates in effect on December 31, 2022, not to exceed the calendar

48.1 year 2022 Medicare rate for this service. The commissioner must apply the annual rate
48.2 increases under Minnesota Statutes, section 256B.0653, subdivision 8, to the rates resulting
48.3 from the application of the rate increases under the prior sentence.

48.4 (b) Effective January 1, 2023, or upon federal approval, whichever is later, the
48.5 commissioner shall increase payment rates for respiratory therapy under Minnesota Rules,
48.6 part 9505.0295, subpart 2, item E, and for home health services and home care nursing
48.7 services under Minnesota Statutes, section 256B.0651, subdivision 2, clauses (1) to (3),
48.8 except home health aide visits, by equal percentages, unless an increase exceeds the calendar
48.9 year 2022 Medicare rate for a service. If an increase for one or more services would exceed
48.10 the Medicare rate for that service, the commissioner shall increase the other service rates
48.11 by a greater percentage. The value of the percentage increases under this paragraph must
48.12 be equivalent to a total three-year appropriation of \$90,000,000 in fiscal years 2023 to 2025
48.13 minus the value of the three-year appropriation in fiscal years 2023 to 2025 for the increase
48.14 under paragraph (a) and after applying the annual rate increases under Minnesota Statutes,
48.15 sections 256B.0653, subdivision 8, and 256B.0654, subdivision 5.

48.16 **Sec. 42. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**
48.17 **APPLICATION OF ICF/DD RATE INCREASES.**

48.18 The commissioner of human services shall apply the rate increases under Minnesota
48.19 Statutes, section 256B.5012, subdivisions 19 and 20, as follows:

48.20 (1) apply Minnesota Statutes, section 256B.5012, subdivision 19; and

48.21 (2) apply any required rate increase as required under Minnesota Statutes, section
48.22 256B.5012, subdivision 20, to the results of clause (1).

48.23 **Sec. 43. DIRECTION TO THE COMMISSIONER; DISABILITY WAIVER SHARED**
48.24 **SERVICES RATES.**

48.25 The commissioner of human services shall provide a rate system for shared homemaker
48.26 services and shared chore services provided under Minnesota Statutes, sections 256B.092
48.27 and 256B.49. For two persons sharing services, the rate paid to a provider must not exceed
48.28 one and one-half times the rate paid for serving a single individual, and for three persons
48.29 sharing services, the rate paid to a provider must not exceed two times the rate paid for
48.30 serving a single individual. These rates apply only when all of the criteria for the shared
48.31 service have been met.

49.1 Sec. 44. **DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**
49.2 **LIFE-SHARING SERVICES.**

49.3 **Subdivision 1. Recommendations required.** The commissioner of human services shall
49.4 develop recommendations for establishing life sharing as a covered medical assistance
49.5 waiver service.

49.6 **Subd. 2. Definition.** For the purposes of this section, "life sharing" means a
49.7 relationship-based living arrangement between an adult with a disability and an individual
49.8 or family in which they share their lives and experiences while the adult with a disability
49.9 receives support from the individual or family using person-centered practices.

49.10 **Subd. 3. Stakeholder engagement and consultation.** (a) The commissioner must
49.11 proactively solicit participation in the development of the life-sharing medical assistance
49.12 service through a robust stakeholder engagement process that results in the inclusion of a
49.13 racially, culturally, and geographically diverse group of interested stakeholders from each
49.14 of the following groups:

49.15 (1) providers currently providing or interested in providing life-sharing services;

49.16 (2) people with disabilities accessing or interested in accessing life-sharing services;

49.17 (3) disability advocacy organizations; and

49.18 (4) lead agencies.

49.19 (b) The commissioner must proactively seek input into and assistance with the
49.20 development of recommendations for establishing the life-sharing service from interested
49.21 stakeholders.

49.22 (c) The commissioner must provide a method for the commissioner and interested
49.23 stakeholders to cofacilitate public meetings. The first meeting must occur before January
49.24 31, 2023. The commissioner must host the cofacilitated meetings at least monthly through
49.25 December 31, 2023. All meetings must be accessible to all interested stakeholders, recorded,
49.26 and posted online within one week of the meeting date.

49.27 **Subd. 4. Required topics to be discussed during development of the**
49.28 **recommendations.** The commissioner and the interested stakeholders must discuss the
49.29 following topics:

49.30 (1) the distinction between life sharing and adult family foster care;

49.31 (2) successful life-sharing models used in other states;

49.32 (3) services and supports that could be included in a life-sharing service;

- 50.1 (4) potential barriers to providing or accessing life-sharing services;
 50.2 (5) solutions to remove identified barriers to providing or accessing life-sharing services;
 50.3 (6) potential medical assistance payment methodologies for life-sharing services;
 50.4 (7) expanding awareness of the life-sharing model; and
 50.5 (8) draft language for legislation necessary to define and implement life-sharing services.

50.6 Subd. 5. **Report to the legislature.** By December 31, 2023, the commissioner must
 50.7 provide to the chairs and ranking minority members of the house of representatives and
 50.8 senate committees and divisions with jurisdiction over direct care services a report
 50.9 summarizing the discussions between the commissioner and the interested stakeholders and
 50.10 the commissioner's recommendations. The report must also include any draft legislation
 50.11 necessary to define and implement life-sharing services.

50.12 Sec. 45. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; SHARED**
 50.13 **SERVICES.**

50.14 (a) By December 1, 2022, the commissioner of human services shall seek any necessary
 50.15 changes to home and community-based services waiver plans regarding sharing services in
 50.16 order to:

50.17 (1) permit shared services for more services, including chore, homemaker, and night
 50.18 supervision;

50.19 (2) permit shared services for some services for higher ratios, including individualized
 50.20 home supports without training, individualized home supports with training, and
 50.21 individualized home supports with family training for a ratio of one staff person to three
 50.22 recipients;

50.23 (3) ensure that individuals who are seeking to share services permitted under the waiver
 50.24 plans in an own-home setting are not required to live in a licensed setting in order to share
 50.25 services so long as all other requirements are met; and

50.26 (4) issue guidance for shared services, including:

50.27 (i) informed choice for all individuals sharing the services;

50.28 (ii) guidance for when multiple shared services by different providers occur in one home
 50.29 and how lead agencies and individuals shall determine that shared service is appropriate to
 50.30 meet the needs, health, and safety of each individual for whom the lead agency provides
 50.31 case management or care coordination; and

51.1 (iii) guidance clarifying that an individual's decision to share services does not reduce
 51.2 any determination of the individual's overall or assessed needs for services.

51.3 (b) The commissioner shall develop or provide guidance outlining:

51.4 (1) instructions for shared services support planning;

51.5 (2) person-centered approaches and informed choice in shared services support planning;

51.6 and

51.7 (3) required contents of shared services agreements.

51.8 (c) The commissioner shall seek and utilize stakeholder input for any proposed changes
 51.9 to waiver plans and any shared services guidance.

51.10 **Sec. 46. APPROPRIATION; LIFE-SHARING SERVICES.**

51.11 \$125,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
 51.12 of human services for engaging stakeholders and developing recommendations regarding
 51.13 establishing a life-sharing service under the state's medical assistance disability waivers and
 51.14 elderly waiver and initial implementation of a life-sharing service upon enactment of
 51.15 authorizing legislation. The general fund base for this appropriation is \$1,500,000 in fiscal
 51.16 year 2024 and \$1,500,000 in fiscal year 2025.

51.17 **Sec. 47. APPROPRIATION; MINNESOTA ASSOCIATION FOR VOLUNTEER**
 51.18 **ADMINISTRATION.**

51.19 \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
 51.20 of human services for a grant to the Minnesota Association for Volunteer Administration
 51.21 to administer needs-based volunteerism subgrants targeting underresourced nonprofit
 51.22 organizations in greater Minnesota to support selected organizations' ongoing efforts to
 51.23 address and minimize disparities in access to human services through increased volunteerism.
 51.24 Successful subgrant applicants must demonstrate that the populations to be served by the
 51.25 subgrantee are considered underserved or suffer from or are at risk of homelessness, hunger,
 51.26 poverty, lack of access to health care, or deficits in education. The Minnesota Association
 51.27 for Volunteer Administration shall give priority to organizations that are serving the needs
 51.28 of vulnerable populations. By December 15, 2024, the Minnesota Association for Volunteer
 51.29 Administration shall report data on outcomes from the subgrants and recommendations for
 51.30 improving and sustaining volunteer efforts statewide to the chairs and ranking minority
 51.31 members of the legislative committees and divisions with jurisdiction over human services.

52.1 Sec. 48. **APPROPRIATION; RESIDENTIAL SETTING CLOSURE PREVENTION**
 52.2 **GRANTS.**

52.3 \$6,816,000 is appropriated from the general fund to the commissioner of human services
 52.4 for the residential setting closure prevention grants under Minnesota Statutes, section
 52.5 256.4795.

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

52.7 Sec. 49. **APPROPRIATION; SUPPLEMENTAL RATE TO DOUGLAS COUNTY**
 52.8 **FACILITY.**

52.9 \$116,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
 52.10 of human services for the rate increase described in Minnesota Statutes, section 256I.05,
 52.11 subdivision 1s.

52.12 Sec. 50. **REPEALER.**

52.13 Laws 2022, chapter 33, section 1, subdivision 9a, is repealed.

52.14 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
 52.15 whichever is later. The commissioner of human services shall inform the revisor of statutes
 52.16 when federal approval is obtained.

52.17 **ARTICLE 2**

52.18 **CONTINUING CARE FOR OLDER ADULTS**

52.19 Section 1. Minnesota Statutes 2020, section 144G.45, subdivision 7, is amended to read:

52.20 Subd. 7. **Variance or waiver.** (a) A facility may request that the commissioner grant a
 52.21 variance or waiver from the provisions of this section or section 144G.81, subdivision 5. A
 52.22 request for a waiver must be submitted to the commissioner in writing. Each request must
 52.23 contain:

52.24 (1) the specific requirement for which the variance or waiver is requested;

52.25 (2) the reasons for the request;

52.26 (3) the alternative measures that will be taken if a variance or waiver is granted;

52.27 (4) the length of time for which the variance or waiver is requested; and

52.28 (5) other relevant information deemed necessary by the commissioner to properly evaluate
 52.29 the request for the waiver.

53.1 (b) The decision to grant or deny a variance or waiver must be based on the
53.2 commissioner's evaluation of the following criteria:

53.3 (1) whether the waiver will adversely affect the health, treatment, comfort, safety, or
53.4 well-being of a resident;

53.5 (2) whether the alternative measures to be taken, if any, are equivalent to or superior to
53.6 those permitted under section 144G.81, subdivision 5; ~~and~~

53.7 (3) whether compliance with the requirements would impose an undue burden on the
53.8 facility; and

53.9 (4) notwithstanding clauses (1) to (3), when an existing building is proposed to be
53.10 repurposed to meet a critical community need for additional assisted living facility capacity,
53.11 whether the waiver will adequately protect the health and safety of the residents.

53.12 (c) The commissioner must notify the facility in writing of the decision. If a variance or
53.13 waiver is granted, the notification must specify the period of time for which the variance
53.14 or waiver is effective and the alternative measures or conditions, if any, to be met by the
53.15 facility.

53.16 (d) Alternative measures or conditions attached to a variance or waiver have the force
53.17 and effect of this chapter and are subject to the issuance of correction orders and fines in
53.18 accordance with sections 144G.30, subdivision 7, and 144G.31. The amount of fines for a
53.19 violation of this subdivision is that specified for the specific requirement for which the
53.20 variance or waiver was requested.

53.21 (e) A request for renewal of a variance or waiver must be submitted in writing at least
53.22 45 days before its expiration date. Renewal requests must contain the information specified
53.23 in paragraph (b). A variance or waiver must be renewed by the commissioner if the facility
53.24 continues to satisfy the criteria in paragraph (a) and demonstrates compliance with the
53.25 alternative measures or conditions imposed at the time the original variance or waiver was
53.26 granted.

53.27 (f) The commissioner must deny, revoke, or refuse to renew a variance or waiver if it
53.28 is determined that the criteria in paragraph (a) are not met. The facility must be notified in
53.29 writing of the reasons for the decision and informed of the right to appeal the decision.

53.30 (g) A facility may contest the denial, revocation, or refusal to renew a variance or waiver
53.31 by requesting a contested case hearing under chapter 14. The facility must submit, within
53.32 15 days of the receipt of the commissioner's decision, a written request for a hearing. The
53.33 request for hearing must set forth in detail the reasons why the facility contends the decision

54.1 of the commissioner should be reversed or modified. At the hearing, the facility has the
 54.2 burden of proving by a preponderance of the evidence that the facility satisfied the criteria
 54.3 specified in paragraph (b), except in a proceeding challenging the revocation of a variance
 54.4 or waiver.

54.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.

54.6 Sec. 2. Minnesota Statutes 2020, section 256R.02, subdivision 16, is amended to read:

54.7 Subd. 16. **Dietary costs.** "Dietary costs" means the costs for ~~the salaries and wages of~~
 54.8 ~~the dietary supervisor, dietitians, chefs, cooks, dishwashers, and other employees assigned~~
 54.9 ~~to the kitchen and dining room, and associated fringe benefits and payroll taxes. Dietary~~
 54.10 ~~costs also includes~~ the salaries or fees of dietary consultants, dietary supplies, and food
 54.11 preparation and serving.

54.12 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
 54.13 2024, or upon federal approval, whichever occurs later. The commissioner of human services
 54.14 shall inform the revisor of statutes when federal approval is obtained.

54.15 Sec. 3. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision to
 54.16 read:

54.17 Subd. 16a. **Dietary labor costs.** "Dietary labor costs" means the costs for the salaries
 54.18 and wages of the dietary supervisor, dietitians, chefs, cooks, dishwashers, and other
 54.19 employees assigned to the kitchen and dining room, and associated fringe benefits and
 54.20 payroll taxes.

54.21 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
 54.22 2024, or upon federal approval, whichever occurs later. The commissioner of human services
 54.23 shall inform the revisor of statutes when federal approval is obtained.

54.24 Sec. 4. Minnesota Statutes 2020, section 256R.02, subdivision 24, is amended to read:

54.25 Subd. 24. **Housekeeping costs.** "Housekeeping costs" means ~~the costs for the salaries~~
 54.26 ~~and wages of the housekeeping supervisor, housekeepers, and other cleaning employees~~
 54.27 ~~and associated fringe benefits and payroll taxes. It also includes~~ the cost of housekeeping
 54.28 supplies, including, but not limited to, cleaning and lavatory supplies and contract services.

54.29 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
 54.30 2024, or upon federal approval, whichever occurs later. The commissioner of human services
 54.31 shall inform the revisor of statutes when federal approval is obtained.

55.1 Sec. 5. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision to
55.2 read:

55.3 Subd. 24a. **Housekeeping labor costs.** "Housekeeping labor costs" means the costs for
55.4 the salaries and wages of the housekeeping supervisor, housekeepers, and other cleaning
55.5 employees, and associated fringe benefits and payroll taxes.

55.6 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
55.7 2024, or upon federal approval, whichever occurs later. The commissioner of human services
55.8 shall inform the revisor of statutes when federal approval is obtained.

55.9 Sec. 6. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision to
55.10 read:

55.11 Subd. 25b. **Known cost change factor.** "Known cost change factor" means 1.00 plus
55.12 the forecasted percentage change in the CPI-U index from July 1 of the reporting period to
55.13 July 1 of the rate year as determined by the national economic consultant used by the
55.14 commissioner of management and budget.

55.15 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
55.16 2024, or upon federal approval, whichever occurs later. The commissioner of human services
55.17 shall inform the revisor of statutes when federal approval is obtained.

55.18 Sec. 7. Minnesota Statutes 2020, section 256R.02, subdivision 26, is amended to read:

55.19 ~~Subd. 26. **Laundry costs.** "Laundry costs" means the costs for the salaries and wages~~
55.20 ~~of the laundry supervisor and other laundry employees, associated fringe benefits, and~~
55.21 ~~payroll taxes. It also includes the costs of linen and bedding, the laundering of resident~~
55.22 ~~clothing, laundry supplies, and contract services.~~

55.23 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
55.24 2024, or upon federal approval, whichever occurs later. The commissioner of human services
55.25 shall inform the revisor of statutes when federal approval is obtained.

55.26 Sec. 8. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision to
55.27 read:

55.28 Subd. 26a. **Laundry labor costs.** "Laundry labor costs" means the costs for the salaries
55.29 and wages of the laundry supervisor and other laundry employees, and associated fringe
55.30 benefits and payroll taxes.

56.1 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
56.2 2024, or upon federal approval, whichever occurs later. The commissioner of human services
56.3 shall inform the revisor of statutes when federal approval is obtained.

56.4 Sec. 9. Minnesota Statutes 2020, section 256R.02, subdivision 29, is amended to read:

56.5 Subd. 29. **Maintenance and plant operations costs.** "Maintenance and plant operations
56.6 costs" means ~~the costs for the salaries and wages of the maintenance supervisor, engineers,~~
56.7 ~~heating plant employees, and other maintenance employees and associated fringe benefits~~
56.8 ~~and payroll taxes. It also includes~~ identifiable costs for maintenance and operation of the
56.9 building and grounds, including, but not limited to, fuel, electricity, medical waste and
56.10 garbage removal, water, sewer, supplies, tools, and repairs.

56.11 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
56.12 2024, or upon federal approval, whichever occurs later. The commissioner of human services
56.13 shall inform the revisor of statutes when federal approval is obtained.

56.14 Sec. 10. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision
56.15 to read:

56.16 Subd. 29a. **Maintenance and plant operations labor costs.** "Maintenance and plant
56.17 operations labor costs" means the costs for the salaries and wages of the maintenance
56.18 supervisor, engineers, heating-plant employees, and other maintenance employees, and
56.19 associated fringe benefits and payroll taxes.

56.20 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
56.21 2024, or upon federal approval, whichever occurs later. The commissioner of human services
56.22 shall inform the revisor of statutes when federal approval is obtained.

56.23 Sec. 11. Minnesota Statutes 2020, section 256R.02, subdivision 34, is amended to read:

56.24 Subd. 34. **Other care-related costs.** "Other care-related costs" means the sum of activities
56.25 costs, other direct care costs, raw food costs, dietary labor costs, housekeeping labor costs,
56.26 laundry labor costs, maintenance and plant operations labor costs, therapy costs, and social
56.27 services costs.

56.28 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
56.29 2024, or upon federal approval, whichever occurs later. The commissioner of human services
56.30 shall inform the revisor of statutes when federal approval is obtained.

57.1 Sec. 12. Minnesota Statutes 2020, section 256R.23, subdivision 2, is amended to read:

57.2 Subd. 2. **Calculation of direct care cost per standardized day.** Each facility's direct
57.3 care cost per standardized day is the product of the facility's direct care costs and the known
57.4 cost change factor, divided by the sum of the facility's standardized days. A facility's direct
57.5 care cost per standardized day is the facility's cost per day for direct care services associated
57.6 with a case mix index of 1.00.

57.7 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
57.8 2024, or upon federal approval, whichever occurs later. The commissioner of human services
57.9 shall inform the revisor of statutes when federal approval is obtained.

57.10 Sec. 13. Minnesota Statutes 2020, section 256R.23, subdivision 3, is amended to read:

57.11 Subd. 3. **Calculation of other care-related cost per resident day.** Each facility's other
57.12 care-related cost per resident day is the product of its other care-related costs and the known
57.13 cost change factor, divided by the sum of the facility's resident days.

57.14 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
57.15 2024, or upon federal approval, whichever occurs later. The commissioner of human services
57.16 shall inform the revisor of statutes when federal approval is obtained.

57.17 Sec. 14. Minnesota Statutes 2020, section 256R.24, subdivision 1, is amended to read:

57.18 Subdivision 1. **Determination of other operating cost per day.** Each facility's other
57.19 operating cost per day is the product of its other operating costs and the known cost change
57.20 factor, divided by the sum of the facility's resident days.

57.21 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
57.22 2024, or upon federal approval, whichever occurs later. The commissioner of human services
57.23 shall inform the revisor of statutes when federal approval is obtained.

57.24 Sec. 15. Minnesota Statutes 2020, section 256R.25, is amended to read:

57.25 **256R.25 EXTERNAL FIXED COSTS PAYMENT RATE.**

57.26 (a) The payment rate for external fixed costs is the sum of the amounts in paragraphs
57.27 (b) to (o).

57.28 (b) For a facility licensed as a nursing home, the portion related to the provider surcharge
57.29 under section 256.9657 is equal to \$8.86 per resident day. For a facility licensed as both a
57.30 nursing home and a boarding care home, the portion related to the provider surcharge under

58.1 section 256.9657 is equal to \$8.86 per resident day multiplied by the result of its number
58.2 of nursing home beds divided by its total number of licensed beds.

58.3 (c) The portion related to the licensure fee under section 144.122, paragraph (d), is the
58.4 amount of the fee divided by the sum of the facility's resident days.

58.5 (d) The portion related to development and education of resident and family advisory
58.6 councils under section 144A.33 is \$5 per resident day divided by 365.

58.7 (e) The portion related to scholarships is determined under section 256R.37.

58.8 (f) The portion related to planned closure rate adjustments is as determined under section
58.9 256R.40, subdivision 5, and Minnesota Statutes 2010, section 256B.436.

58.10 (g) The portion related to consolidation rate adjustments shall be as determined under
58.11 section 144A.071, subdivisions 4c, paragraph (a), clauses (5) and (6), and 4d.

58.12 (h) The portion related to single-bed room incentives is as determined under section
58.13 256R.41.

58.14 (i) The portions related to real estate taxes, special assessments, and payments made in
58.15 lieu of real estate taxes directly identified or allocated to the nursing facility are the allowable
58.16 amounts divided by the sum of the facility's resident days. Allowable costs under this
58.17 paragraph for payments made by a nonprofit nursing facility that are in lieu of real estate
58.18 taxes shall not exceed the amount which the nursing facility would have paid to a city or
58.19 township and county for fire, police, sanitation services, and road maintenance costs had
58.20 real estate taxes been levied on that property for those purposes.

58.21 (j) The portion related to employer health insurance costs is the product of the allowable
58.22 costs and the known cost change factor, divided by the sum of the facility's resident days.

58.23 (k) The portion related to the Public Employees Retirement Association is the allowable
58.24 costs divided by the sum of the facility's resident days.

58.25 (l) The portion related to quality improvement incentive payment rate adjustments is
58.26 the amount determined under section 256R.39.

58.27 (m) The portion related to performance-based incentive payments is the amount
58.28 determined under section 256R.38.

58.29 (n) The portion related to special dietary needs is the amount determined under section
58.30 256R.51.

58.31 (o) The portion related to the rate adjustments for border city facilities is the amount
58.32 determined under section 256R.481.

59.1 **EFFECTIVE DATE.** This section is effective for the rate year beginning January 1,
 59.2 2024, or upon federal approval, whichever occurs later. The commissioner of human services
 59.3 shall inform the revisor of statutes when federal approval is obtained.

59.4 Sec. 16. Minnesota Statutes 2020, section 256S.16, is amended to read:

59.5 **256S.16 AUTHORIZATION OF ELDERLY WAIVER SERVICES AND SERVICE**
 59.6 **RATES.**

59.7 Subdivision 1. **Service rates; generally.** A lead agency must use the service rates and
 59.8 service rate limits published by the commissioner to authorize services.

59.9 Subd. 2. **Shared services; rates.** The commissioner shall provide a rate system for
 59.10 shared homemaker services and shared chore services, based on homemaker rates for a
 59.11 single individual under section 256S.215, subdivisions 9 to 11, and the chore rate for a
 59.12 single individual under section 256S.215, subdivision 7. For two persons sharing services,
 59.13 the rate paid to a provider must not exceed one and one-half times the rate paid for serving
 59.14 a single individual, and for three persons sharing services, the rate paid to a provider must
 59.15 not exceed two times the rate paid for serving a single individual. These rates apply only
 59.16 when all of the criteria for the shared service have been met.

59.17 Sec. 17. Minnesota Statutes 2020, section 256S.201, subdivision 3, is amended to read:

59.18 Subd. 3. **Customized living service rates.** The authorized rates for customized living
 59.19 services and 24-hour customized living services must be based on the amount of component
 59.20 services to be provided utilizing component rates established ~~by the commissioner~~ in section
 59.21 256S.215. Counties and tribes shall use tools issued by the commissioner to develop and
 59.22 document customized living service plans and rates.

59.23 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
 59.24 whichever occurs later. The commissioner of human services shall inform the revisor of
 59.25 statutes when federal approval is obtained.

59.26 Sec. 18. Minnesota Statutes 2021 Supplement, section 256S.205, is amended to read:

59.27 **256S.205 CUSTOMIZED LIVING SERVICES; DISPROPORTIONATE SHARE**
 59.28 **RATE ADJUSTMENTS.**

59.29 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms in this
 59.30 subdivision have the meanings given.

60.1 (b) "Application year" means a year in which a facility submits an application for
60.2 designation as a disproportionate share facility.

60.3 ~~(c) "Assisted living facility" or "facility" means an assisted living facility licensed under~~
60.4 ~~chapter 144G~~ "Customized living resident" means a resident of a facility who is receiving
60.5 either 24-hour customized living services or customized living services authorized under
60.6 the elderly waiver, the brain injury waiver, or the community access for disability inclusion
60.7 waiver.

60.8 (d) "Disproportionate share facility" means ~~an assisted living~~ a facility designated by
60.9 the commissioner under subdivision 4.

60.10 (e) "Facility" means either an assisted living facility licensed under chapter 144G or a
60.11 setting that is exempt from assisted living licensure under section 144G.08, subdivision 7,
60.12 clauses (10) to (13).

60.13 (f) "Rate year" means January 1 to December 31 of the year following an application
60.14 year.

60.15 Subd. 2. **Rate adjustment application.** ~~An assisted living~~ A facility may apply to the
60.16 commissioner for designation as a disproportionate share facility. Applications must be
60.17 submitted annually between ~~October~~ September 1 and ~~October 31~~ September 30. The
60.18 applying facility must apply in a manner determined by the commissioner. The applying
60.19 facility must document ~~as a percentage the census of elderly waiver participants~~ each of the
60.20 following on the application:

60.21 (1) the number of customized living residents in the facility on September 1 of the
60.22 application year, broken out by specific waiver program; and

60.23 (2) the total number of people residing in the facility on ~~October~~ September 1 of the
60.24 application year.

60.25 Subd. 3. **Rate adjustment eligibility criteria.** Only facilities ~~with a census of at least~~
60.26 ~~80 percent elderly waiver participants~~ satisfying all of the following conditions on ~~October~~
60.27 September 1 of the application year are eligible for designation as a disproportionate share
60.28 facility:

60.29 (1) at least 80 percent of the residents of the facility are customized living residents; and

60.30 (2) at least 50 percent of the customized living residents are elderly waiver participants.

60.31 Subd. 4. **Designation as a disproportionate share facility.** (a) ~~By November~~ October
60.32 15 of each application year, the commissioner must designate as a disproportionate share

61.1 facility a facility that complies with the application requirements of subdivision 2 and meets
61.2 the eligibility criteria of subdivision 3.

61.3 (b) An annual designation is effective for one rate year.

61.4 Subd. 5. **Rate adjustment; rate floor.** (a) Notwithstanding the 24-hour customized
61.5 living monthly service rate limits under section 256S.202, subdivision 2, and the component
61.6 service rates established under section 256S.201, subdivision 4, the commissioner must
61.7 establish a rate floor equal to ~~\$119~~ \$139 per resident per day for 24-hour customized living
61.8 services provided to an elderly waiver participant in a designated disproportionate share
61.9 facility ~~for the purpose of ensuring the minimal level of staffing required to meet the health~~
61.10 ~~and safety needs of elderly waiver participants.~~

61.11 (b) The commissioner must apply the rate floor to the services described in paragraph
61.12 (a) provided during the rate year.

61.13 ~~(b)~~ (c) The commissioner must adjust the rate floor at least annually in the manner
61.14 described under section 256S.18, subdivisions 5 and 6.

61.15 ~~(e)~~ (d) The commissioner shall not implement the rate floor under this section if the
61.16 customized living rates established under sections 256S.21 to 256S.215 will be implemented
61.17 at 100 percent on January 1 of the year following an application year.

61.18 Subd. 6. **Budget cap disregard.** The value of the rate adjustment under this section
61.19 must not be included in an elderly waiver client's monthly case mix budget cap.

61.20 **EFFECTIVE DATE.** This section is effective July 1, 2022, or upon federal approval,
61.21 whichever is later, and applies to services provided on or after October 1, 2022, or on or
61.22 after the date upon which federal approval is obtained, whichever is later. The commissioner
61.23 of human services shall notify the revisor of statutes when federal approval is obtained.

61.24 Sec. 19. Minnesota Statutes 2021 Supplement, section 256S.21, is amended to read:

61.25 **256S.21 RATE SETTING; APPLICATION.**

61.26 The payment methodologies in sections ~~256S.2101~~ 256S.211 to 256S.215 apply to
61.27 elderly waiver, elderly waiver customized living, and elderly waiver foster care under this
61.28 chapter; alternative care under section 256B.0913; essential community supports under
61.29 section 256B.0922; and community access for disability inclusion customized living and
61.30 brain injury customized living under section 256B.49.

62.1 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
62.2 whichever occurs later. The commissioner of human services shall inform the revisor of
62.3 statutes when federal approval is obtained.

62.4 Sec. 20. Minnesota Statutes 2020, section 256S.213, subdivision 1, is amended to read:

62.5 Subdivision 1. **Payroll taxes and benefits factor.** The payroll taxes and benefits factor
62.6 is the sum of net payroll taxes and benefits, divided by the sum of all salaries for all nursing
62.7 facilities on the most recent and available cost report. The commissioner must update the
62.8 payroll tax and benefit factor each January 1.

62.9 **EFFECTIVE DATE.** This section is effective January 1, 2023, or upon federal approval,
62.10 whichever occurs later. The commissioner of human services shall inform the revisor of
62.11 statutes when federal approval is obtained.

62.12 Sec. 21. **NURSING FACILITY FUNDING.**

62.13 (a) Effective July 1, 2022, through December 31, 2024, the total payment rate for all
62.14 facilities reimbursed under this section shall be increased by an amount per resident day as
62.15 determined by the commissioner according to section 18.

62.16 (b) To be eligible to receive a payment under this section, a nursing facility must attest
62.17 to the commissioner of human services that the additional revenue will be used exclusively
62.18 to increase compensation-related costs for employees directly employed by the facility on
62.19 or after July 1, 2022, except:

62.20 (1) owners of the building and operation;

62.21 (2) persons employed in the central office of an entity that has any ownership interest
62.22 in the nursing facility or exercises control over the nursing facility; and

62.23 (3) persons paid by the nursing facility under a management or vendor contract.

62.24 (c) Contracted housekeeping, dietary, and laundry employees providing services on site
62.25 at the nursing facility are eligible for increases under this section as long as the agency that
62.26 employs them submits to the nursing facility proof of the costs of increases provided to
62.27 those employees that comply with paragraph (d).

62.28 (d) For purposes of this section, compensation-related costs include:

62.29 (1) permanent new increases to wages and salaries implemented after July 1, 2022, and
62.30 paid out to employees no later than December 31, 2024; and

63.1 (2) the employer's share of FICA taxes, Medicare taxes, state and federal unemployment
63.2 taxes, PERA, workers' compensation, and pension and employee retirement accounts directly
63.3 associated with the wage and salary increases in clause (1), incurred and paid for no later
63.4 than December 31, 2024.

63.5 (e) No later than September 1, 2022, a facility that receives a rate increase under this
63.6 section must: (1) prepare a distribution plan that specifies the total amount of money the
63.7 facility expects to receive and how that money will be distributed to increase the allowable
63.8 wages and salaries in paragraphs (b) and (c); and (2) post the distribution plan and leave it
63.9 posted for a period of at least six months in an area of the facility to which all employees
63.10 have access. The posted distribution plan must include instructions for employees who
63.11 believe they have not received the compensation-related cost increases specified in paragraph
63.12 (d), and the plan must include the e-mail address and the telephone number that may be
63.13 used by the employee to contact the commissioner or the commissioner's representative. A
63.14 facility that receives a rate increase under this section must submit a copy of its distribution
63.15 plan to the commissioner by October 1, 2022.

63.16 (f) If the nursing facility expends less on new compensated-related costs than the amount
63.17 that was made available by this rate increase for that purpose, the amount of this rate
63.18 adjustment shall be reduced to equal the amount utilized by the facility for purposes
63.19 authorized under this section. If the facility fails to post the distribution plan in their facility
63.20 as required, fails to submit their distribution plan to the commissioner by the due date, or
63.21 uses these funds for unauthorized purposes, these rate increases must be treated as an
63.22 overpayment and subsequently recovered.

63.23 (g) The commissioner shall not treat payments received under this section as an applicable
63.24 credit for purposes of setting total payment rates under Minnesota Statutes, chapter 256R.

63.25 **Sec. 22. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**
63.26 **NURSING FACILITY FUNDING.**

63.27 The commissioner of human services shall determine the total payment rate increase
63.28 under section 17 by subtracting the value of the other costs in this act for fiscal years 2023
63.29 to 2025 from \$225,000,000 and dividing the remainder by the number of forecasted resident
63.30 days from July 1, 2022, to December 31, 2024.

64.1 Sec. 23. **DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**
64.2 **PARTIAL YEAR IMPLEMENTATION OF DISPROPORTIONATE SHARE RATE**
64.3 **ADJUSTMENTS.**

64.4 Subdivision 1. Definitions. For the purposes of this section, the definitions in Minnesota
64.5 Statutes, section 256S.205, apply.

64.6 Subd. 2. Partial year implementation. (a) Notwithstanding the provisions of Minnesota
64.7 Statutes, section 256S.205, subdivisions 2 to 5, regarding application dates, eligibility dates,
64.8 designation dates, and payment adjustment dates, during the first partial year of
64.9 implementation of the amendments in this act to Minnesota Statutes, section 256S.205, a
64.10 facility may apply between July 1, 2022, and July 31, 2022, to be designated a
64.11 disproportionate share facility on the basis of the conditions outlined in Minnesota Statutes,
64.12 section 256S.205, subdivision 3, as of July 1, 2022. The commissioner shall designate
64.13 disproportionate share facilities by August 15, 2022. Between October 1, 2022, and December
64.14 31, 2022, the commissioner shall apply the rate floor under Minnesota Statutes, section
64.15 256S.205, as amended in this act, to eligible customized living services provided in
64.16 disproportionate share facilities between those dates.

64.17 Subd. 3. Rate year 2023. Beginning September 1, 2022, the timelines and dates described
64.18 in Minnesota Statutes, section 256S.205, subdivisions 2 to 4, apply for the purposes of rate
64.19 year 2023.

64.20 Subd. 4. Treatment of prior rate adjustments. (a) The commissioner shall apply rate
64.21 adjustments required under Minnesota Statutes 2021 Supplement, section 256S.205, until
64.22 September 30, 2022. Beginning October 1, 2022, the commissioner shall remove all rate
64.23 adjustments required under Minnesota Statutes 2021 Supplement, section 256S.205.

64.24 (b) A disproportionate share facility receiving a rate adjustment under Minnesota Statutes
64.25 2021 Supplement, section 256S.205, as of July 1, 2022, may apply for an adjustment under
64.26 this section.

64.27 EFFECTIVE DATE. (a) Subdivisions 1 to 3 are effective July 1, 2022, or upon federal
64.28 approval, whichever is later, and apply to services provided on or after October 1, 2022, or
64.29 on or after the date upon which federal approval is obtained, whichever is later. The
64.30 commissioner of human services shall notify the revisor of statutes when federal approval
64.31 is obtained.

64.32 (b) Subdivision 4 is effective July 1, 2022.

65.1 Sec. 24. **DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**
 65.2 **PARTIAL YEAR RATE ADJUSTMENTS.**

65.3 (a) On July 1, 2022, the commissioner shall update the base wage indices in Minnesota
 65.4 Statutes, section 256S.212, based on the most recently available Minneapolis-St.
 65.5 Paul-Bloomington, MN-WI MetroSA average wage data from the Bureau of Labor Statistics.

65.6 (b) On July 1, 2022, the commissioner shall update the payroll tax and benefit factor in
 65.7 Minnesota Statutes, section 256S.213, subdivision 1, based on the most recently available
 65.8 nursing facility cost report data.

65.9 **EFFECTIVE DATE.** This section is effective July 1, 2022, or upon federal approval,
 65.10 whichever occurs later. The commissioner of human services shall inform the revisor of
 65.11 statutes when federal approval is obtained.

65.12 Sec. 25. **REPEALER.**

65.13 Minnesota Statutes 2021 Supplement, section 256S.2101, is repealed.

65.14 **EFFECTIVE DATE.** This section is effective July 1, 2022, or upon federal approval,
 65.15 whichever occurs later. The commissioner of human services shall inform the revisor of
 65.16 statutes when federal approval is obtained.

65.17 **ARTICLE 3**

65.18 **HEALTH CARE**

65.19 Section 1. Minnesota Statutes 2020, section 256B.057, subdivision 9, is amended to read:

65.20 Subd. 9. **Employed persons with disabilities.** (a) Medical assistance may be paid for
 65.21 a person who is employed and who:

65.22 (1) but for excess earnings or assets, meets the definition of disabled under the
 65.23 Supplemental Security Income program;

65.24 (2) meets the asset limits in paragraph (d); and

65.25 (3) pays a premium and other obligations under paragraph (e).

65.26 (b) For purposes of eligibility, there is a \$65 earned income disregard. To be eligible
 65.27 for medical assistance under this subdivision, a person must have more than \$65 of earned
 65.28 income. Earned income must have Medicare, Social Security, and applicable state and
 65.29 federal taxes withheld. The person must document earned income tax withholding. Any
 65.30 spousal income or assets shall be disregarded for purposes of eligibility and premium
 65.31 determinations.

66.1 (c) After the month of enrollment, a person enrolled in medical assistance under this
66.2 subdivision who:

66.3 (1) is temporarily unable to work and without receipt of earned income due to a medical
66.4 condition, as verified by a physician, advanced practice registered nurse, or physician
66.5 assistant; or

66.6 (2) loses employment for reasons not attributable to the enrollee, and is without receipt
66.7 of earned income may retain eligibility for up to four consecutive months after the month
66.8 of job loss. To receive a four-month extension, enrollees must verify the medical condition
66.9 or provide notification of job loss. All other eligibility requirements must be met and the
66.10 enrollee must pay all calculated premium costs for continued eligibility.

66.11 (d) For purposes of determining eligibility under this subdivision, a person's assets must
66.12 not exceed \$20,000, excluding:

66.13 (1) all assets excluded under section 256B.056;

66.14 (2) retirement accounts, including individual accounts, 401(k) plans, 403(b) plans, Keogh
66.15 plans, and pension plans;

66.16 (3) medical expense accounts set up through the person's employer; and

66.17 (4) spousal assets, including spouse's share of jointly held assets.

66.18 (e) All enrollees must pay a premium to be eligible for medical assistance under this
66.19 subdivision, except as provided under clause (5).

66.20 (1) An enrollee must pay ~~the greater of a \$35 premium or the premium calculated based~~
66.21 ~~on~~ by applying the following sliding premium fee scale to the person's gross earned and
66.22 unearned income and the applicable family size using a sliding fee scale established by the
66.23 commissioner, which begins at one percent of income at 100 percent of the federal poverty
66.24 guidelines and increases to 7.5 percent of income for those with incomes at or above 300
66.25 percent of the federal poverty guidelines.:

66.26 (i) for households with income less than 200 percent of federal poverty guidelines, the
66.27 premium shall be zero percent of income;

66.28 (ii) for households with income from 200 to 250 percent of federal poverty guidelines,
66.29 the sliding premium fee scale shall begin at zero percent of income and increase to 2.5
66.30 percent;

66.31 (iii) for households with income from 250 to 300 percent of federal poverty guidelines,
66.32 the sliding premium fee scale shall begin at 2.5 percent of income and increase to 4.5 percent;

67.1 (iv) for households with income from 300 to 400 percent of federal poverty guidelines,
67.2 the sliding premium fee scale shall begin at 4.5 percent of income and increase to six percent;

67.3 (v) for households with income from 400 to 500 percent of federal poverty guidelines,
67.4 the sliding premium fee scale shall begin at six percent of income and increase to 7.5 percent;

67.5 and

67.6 (vi) for households with income greater than 500 percent of federal poverty guidelines,
67.7 the premium shall be 7.5 percent of income.

67.8 (2) Annual adjustments in the premium schedule based upon changes in the federal
67.9 poverty guidelines shall be effective for premiums due in July of each year.

67.10 (3) All enrollees who receive unearned income must pay one-half of one percent of
67.11 unearned income in addition to the premium amount, except as provided under clause (5).

67.12 (4) Increases in benefits under title II of the Social Security Act shall not be counted as
67.13 income for purposes of this subdivision until July 1 of each year.

67.14 (5) Effective July 1, 2009, American Indians are exempt from paying premiums as
67.15 required by section 5006 of the American Recovery and Reinvestment Act of 2009, Public
67.16 Law 111-5. For purposes of this clause, an American Indian is any person who meets the
67.17 definition of Indian according to Code of Federal Regulations, title 42, section 447.50.

67.18 (f) A person's eligibility and premium shall be determined by the local county agency.
67.19 Premiums must be paid to the commissioner. All premiums are dedicated to the
67.20 commissioner.

67.21 (g) Any required premium shall be determined at application and redetermined at the
67.22 enrollee's six-month income review or when a change in income or household size is reported.
67.23 Enrollees must report any change in income or household size within ten days of when the
67.24 change occurs. A decreased premium resulting from a reported change in income or
67.25 household size shall be effective the first day of the next available billing month after the
67.26 change is reported. Except for changes occurring from annual cost-of-living increases, a
67.27 change resulting in an increased premium shall not affect the premium amount until the
67.28 next six-month review.

67.29 (h) Premium payment is due upon notification from the commissioner of the premium
67.30 amount required. Premiums may be paid in installments at the discretion of the commissioner.

67.31 (i) Nonpayment of the premium shall result in denial or termination of medical assistance
67.32 unless the person demonstrates good cause for nonpayment. "Good cause" means an excuse
67.33 for the enrollee's failure to pay the required premium when due because the circumstances

68.1 were beyond the enrollee's control or not reasonably foreseeable. The commissioner shall
68.2 determine whether good cause exists based on the weight of the supporting evidence
68.3 submitted by the enrollee to demonstrate good cause. Except when an installment agreement
68.4 is accepted by the commissioner, all persons disenrolled for nonpayment of a premium must
68.5 pay any past due premiums as well as current premiums due prior to being reenrolled.
68.6 Nonpayment shall include payment with a returned, refused, or dishonored instrument. The
68.7 commissioner may require a guaranteed form of payment as the only means to replace a
68.8 returned, refused, or dishonored instrument.

68.9 (j) For enrollees whose income does not exceed 200 percent of the federal poverty
68.10 guidelines and who are also enrolled in Medicare, the commissioner shall reimburse the
68.11 enrollee for Medicare Part B premiums under section 256B.0625, subdivision 15, paragraph
68.12 (a).

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

68.14 Sec. 2. Minnesota Statutes 2021 Supplement, section 256B.0625, subdivision 17, is
68.15 amended to read:

68.16 Subd. 17. **Transportation costs.** (a) "Nonemergency medical transportation service"
68.17 means motor vehicle transportation provided by a public or private person that serves
68.18 Minnesota health care program beneficiaries who do not require emergency ambulance
68.19 service, as defined in section 144E.001, subdivision 3, to obtain covered medical services.

68.20 (b) Medical assistance covers medical transportation costs incurred solely for obtaining
68.21 emergency medical care or transportation costs incurred by eligible persons in obtaining
68.22 emergency or nonemergency medical care when paid directly to an ambulance company,
68.23 nonemergency medical transportation company, or other recognized providers of
68.24 transportation services. Medical transportation must be provided by:

68.25 (1) nonemergency medical transportation providers who meet the requirements of this
68.26 subdivision;

68.27 (2) ambulances, as defined in section 144E.001, subdivision 2;

68.28 (3) taxicabs that meet the requirements of this subdivision;

68.29 (4) public transit, as defined in section 174.22, subdivision 7; or

68.30 (5) not-for-hire vehicles, including volunteer drivers, as defined in section 65B.472,
68.31 subdivision 1, paragraph (h).

69.1 (c) Medical assistance covers nonemergency medical transportation provided by
69.2 nonemergency medical transportation providers enrolled in the Minnesota health care
69.3 programs. All nonemergency medical transportation providers must comply with the
69.4 operating standards for special transportation service as defined in sections 174.29 to 174.30
69.5 and Minnesota Rules, chapter 8840, and all drivers must be individually enrolled with the
69.6 commissioner and reported on the claim as the individual who provided the service. All
69.7 nonemergency medical transportation providers shall bill for nonemergency medical
69.8 transportation services in accordance with Minnesota health care programs criteria. Publicly
69.9 operated transit systems, volunteers, and not-for-hire vehicles are exempt from the
69.10 requirements outlined in this paragraph.

69.11 (d) An organization may be terminated, denied, or suspended from enrollment if:

69.12 (1) the provider has not initiated background studies on the individuals specified in
69.13 section 174.30, subdivision 10, paragraph (a), clauses (1) to (3); or

69.14 (2) the provider has initiated background studies on the individuals specified in section
69.15 174.30, subdivision 10, paragraph (a), clauses (1) to (3), and:

69.16 (i) the commissioner has sent the provider a notice that the individual has been
69.17 disqualified under section 245C.14; and

69.18 (ii) the individual has not received a disqualification set-aside specific to the special
69.19 transportation services provider under sections 245C.22 and 245C.23.

69.20 (e) The administrative agency of nonemergency medical transportation must:

69.21 (1) adhere to the policies defined by the commissioner in consultation with the
69.22 Nonemergency Medical Transportation Advisory Committee;

69.23 (2) pay nonemergency medical transportation providers for services provided to
69.24 Minnesota health care programs beneficiaries to obtain covered medical services;

69.25 (3) provide data monthly to the commissioner on appeals, complaints, no-shows, canceled
69.26 trips, and number of trips by mode; and

69.27 (4) by July 1, 2016, in accordance with subdivision 18e, utilize a web-based single
69.28 administrative structure assessment tool that meets the technical requirements established
69.29 by the commissioner, reconciles trip information with claims being submitted by providers,
69.30 and ensures prompt payment for nonemergency medical transportation services.

69.31 (f) Until the commissioner implements the single administrative structure and delivery
69.32 system under subdivision 18e, clients shall obtain their level-of-service certificate from the

70.1 commissioner or an entity approved by the commissioner that does not dispatch rides for
70.2 clients using modes of transportation under paragraph (i), clauses (4), (5), (6), and (7).

70.3 (g) The commissioner may use an order by the recipient's attending physician, advanced
70.4 practice registered nurse, or a medical or mental health professional to certify that the
70.5 recipient requires nonemergency medical transportation services. Nonemergency medical
70.6 transportation providers shall perform driver-assisted services for eligible individuals, when
70.7 appropriate. Driver-assisted service includes passenger pickup at and return to the individual's
70.8 residence or place of business, assistance with admittance of the individual to the medical
70.9 facility, and assistance in passenger securement or in securing of wheelchairs, child seats,
70.10 or stretchers in the vehicle.

70.11 Nonemergency medical transportation providers must take clients to the health care
70.12 provider using the most direct route, and must not exceed 30 miles for a trip to a primary
70.13 care provider or 60 miles for a trip to a specialty care provider, unless the client receives
70.14 authorization from the local agency.

70.15 Nonemergency medical transportation providers may not bill for separate base rates for
70.16 the continuation of a trip beyond the original destination. Nonemergency medical
70.17 transportation providers must maintain trip logs, which include pickup and drop-off times,
70.18 signed by the medical provider or client, whichever is deemed most appropriate, attesting
70.19 to mileage traveled to obtain covered medical services. Clients requesting client mileage
70.20 reimbursement must sign the trip log attesting mileage traveled to obtain covered medical
70.21 services.

70.22 (h) The administrative agency shall use the level of service process established by the
70.23 commissioner in consultation with the Nonemergency Medical Transportation Advisory
70.24 Committee to determine the client's most appropriate mode of transportation. If public transit
70.25 or a certified transportation provider is not available to provide the appropriate service mode
70.26 for the client, the client may receive a onetime service upgrade.

70.27 (i) The covered modes of transportation are:

70.28 (1) client reimbursement, which includes client mileage reimbursement provided to
70.29 clients who have their own transportation, or to family or an acquaintance who provides
70.30 transportation to the client;

70.31 (2) volunteer transport, which includes transportation by volunteers using their own
70.32 vehicle;

71.1 (3) unassisted transport, which includes transportation provided to a client by a taxicab
71.2 or public transit. If a taxicab or public transit is not available, the client can receive
71.3 transportation from another nonemergency medical transportation provider;

71.4 (4) assisted transport, which includes transport provided to clients who require assistance
71.5 by a nonemergency medical transportation provider;

71.6 (5) lift-equipped/ramp transport, which includes transport provided to a client who is
71.7 dependent on a device and requires a nonemergency medical transportation provider with
71.8 a vehicle containing a lift or ramp;

71.9 (6) protected transport, which includes transport provided to a client who has received
71.10 a prescreening that has deemed other forms of transportation inappropriate and who requires
71.11 a provider: (i) with a protected vehicle that is not an ambulance or police car and has safety
71.12 locks, a video recorder, and a transparent thermoplastic partition between the passenger and
71.13 the vehicle driver; and (ii) who is certified as a protected transport provider; and

71.14 (7) stretcher transport, which includes transport for a client in a prone or supine position
71.15 and requires a nonemergency medical transportation provider with a vehicle that can transport
71.16 a client in a prone or supine position.

71.17 (j) The local agency shall be the single administrative agency and shall administer and
71.18 reimburse for modes defined in paragraph (i) according to paragraphs (m) and (n) when the
71.19 commissioner has developed, made available, and funded the web-based single administrative
71.20 structure, assessment tool, and level of need assessment under subdivision 18e. The local
71.21 agency's financial obligation is limited to funds provided by the state or federal government.

71.22 (k) The commissioner shall:

71.23 (1) in consultation with the Nonemergency Medical Transportation Advisory Committee,
71.24 verify that the mode and use of nonemergency medical transportation is appropriate;

71.25 (2) verify that the client is going to an approved medical appointment; and

71.26 (3) investigate all complaints and appeals.

71.27 (l) The administrative agency shall pay for the services provided in this subdivision and
71.28 seek reimbursement from the commissioner, if appropriate. As vendors of medical care,
71.29 local agencies are subject to the provisions in section 256B.041, the sanctions and monetary
71.30 recovery actions in section 256B.064, and Minnesota Rules, parts 9505.2160 to 9505.2245.

71.31 (m) Payments for nonemergency medical transportation must be paid based on the client's
71.32 assessed mode under paragraph (h), not the type of vehicle used to provide the service. The

72.1 medical assistance reimbursement rates for nonemergency medical transportation services
72.2 that are payable by or on behalf of the commissioner for nonemergency medical
72.3 transportation services are:

72.4 (1) \$0.22 per mile for client reimbursement;

72.5 (2) up to 100 percent of the Internal Revenue Service business deduction rate for volunteer
72.6 transport;

72.7 (3) equivalent to the standard fare for unassisted transport when provided by public
72.8 transit, and \$11 for the base rate and \$1.30 per mile when provided by a nonemergency
72.9 medical transportation provider;

72.10 (4) \$13 for the base rate and \$1.30 per mile for assisted transport;

72.11 (5) \$18 for the base rate and \$1.55 per mile for lift-equipped/ramp transport;

72.12 (6) \$75 for the base rate and \$2.40 per mile for protected transport; and

72.13 (7) \$60 for the base rate and \$2.40 per mile for stretcher transport, and \$9 per trip for
72.14 an additional attendant if deemed medically necessary.

72.15 (n) The base rate for nonemergency medical transportation services in areas defined
72.16 under RUCA to be super rural is equal to 111.3 percent of the respective base rate in
72.17 paragraph (m), clauses (1) to (7). The mileage rate for nonemergency medical transportation
72.18 services in areas defined under RUCA to be rural or super rural areas is:

72.19 (1) for a trip equal to 17 miles or less, equal to 125 percent of the respective mileage
72.20 rate in paragraph (m), clauses (1) to (7); and

72.21 (2) for a trip between 18 and 50 miles, equal to 112.5 percent of the respective mileage
72.22 rate in paragraph (m), clauses (1) to (7).

72.23 (o) For purposes of reimbursement rates for nonemergency medical transportation
72.24 services under paragraphs (m) and (n), the zip code of the recipient's place of residence
72.25 shall determine whether the urban, rural, or super rural reimbursement rate applies.

72.26 (p) For purposes of this subdivision, "rural urban commuting area" or "RUCA" means
72.27 a census-tract based classification system under which a geographical area is determined
72.28 to be urban, rural, or super rural.

72.29 (q) The commissioner, when determining reimbursement rates for nonemergency medical
72.30 transportation under paragraphs (m) and (n), shall exempt all modes of transportation listed
72.31 under paragraph (i) from Minnesota Rules, part 9505.0445, item R, subitem (2).

73.1 (r) Effective for the first day of each calendar quarter, the commissioner shall adjust the
73.2 rate, up or down, paid per mile in paragraph (m) by one percent for every increase or decrease
73.3 of ten cents for the price of gasoline. The increase or decrease shall be calculated using a
73.4 base gasoline price of \$3.00. The percentage increase or decrease shall be calculated using
73.5 the average of the most recently available price of all grades of gasoline for Minnesota as
73.6 posted publicly by the United States Energy Information Administration.

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

73.8 Sec. 3. Minnesota Statutes 2020, section 256B.0625, subdivision 17a, is amended to read:

73.9 Subd. 17a. **Payment for ambulance services.** (a) Medical assistance covers ambulance
73.10 services. Providers shall bill ambulance services according to Medicare criteria.
73.11 Nonemergency ambulance services shall not be paid as emergencies. Effective for services
73.12 rendered on or after July 1, 2001, medical assistance payments for ambulance services shall
73.13 be paid at the Medicare reimbursement rate or at the medical assistance payment rate in
73.14 effect on July 1, 2000, whichever is greater.

73.15 (b) Effective for services provided on or after July 1, 2016, medical assistance payment
73.16 rates for ambulance services identified in this paragraph are increased by five percent.
73.17 Capitation payments made to managed care plans and county-based purchasing plans for
73.18 ambulance services provided on or after January 1, 2017, shall be increased to reflect this
73.19 rate increase. The increased rate described in this paragraph applies to ambulance service
73.20 providers whose base of operations as defined in section 144E.10 is located:

73.21 (1) outside the metropolitan counties listed in section 473.121, subdivision 4, and outside
73.22 the cities of Duluth, Mankato, Moorhead, St. Cloud, and Rochester; or

73.23 (2) within a municipality with a population of less than 1,000.

73.24 (c) Effective for the first day of each calendar quarter, the commissioner shall adjust the
73.25 rate, up or down, paid per mile in paragraphs (a) and (b) by one percent for every increase
73.26 or decrease of ten cents for the price of gasoline. The increase or decrease shall be calculated
73.27 using a base gasoline price of \$3.00. The percentage increase or decrease shall be calculated
73.28 using the average of the most recently available price of all grades of gasoline for Minnesota
73.29 as posted publicly by the United States Energy Information Administration.

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

74.1 Sec. 4. **DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**
 74.2 **NONEMERGENCY MEDICAL TRANSPORTATION RATES.**

74.3 The commissioner shall increase the base rates and the mileage rates for nonemergency
 74.4 medical transportation services under Minnesota Statutes, section 256B.0625, subdivision
 74.5 17, paragraph (m), clauses (3) to (5), by equal percentages that are equivalent to a total
 74.6 three-year appropriation of \$18,000,000 in fiscal years 2023 to 2025.

74.7 **ARTICLE 4**

74.8 **BEHAVIORAL HEALTH**

74.9 Section 1. Minnesota Statutes 2020, section 13.46, subdivision 7, is amended to read:

74.10 Subd. 7. **Mental health data.** (a) Mental health data are private data on individuals and
 74.11 shall not be disclosed, except:

74.12 (1) pursuant to section 13.05, as determined by the responsible authority for the
 74.13 community mental health center, mental health division, or provider;

74.14 (2) pursuant to court order;

74.15 (3) pursuant to a statute specifically authorizing access to or disclosure of mental health
 74.16 data or as otherwise provided by this subdivision;

74.17 (4) to personnel of the welfare system working in the same program or providing services
 74.18 to the same individual or family to the extent necessary to coordinate services, provided
 74.19 that a health record may be disclosed only as provided under section 144.293;

74.20 (5) to a health care provider governed by sections 144.291 to 144.298, to the extent
 74.21 necessary to coordinate services; or

74.22 (6) with the consent of the client or patient.

74.23 (b) An agency of the welfare system may not require an individual to consent to the
 74.24 release of mental health data as a condition for receiving services or for reimbursing a
 74.25 community mental health center, mental health division of a county, or provider under
 74.26 contract to deliver mental health services.

74.27 (c) Notwithstanding section 245.69, subdivision 2, paragraph (f), or any other law to the
 74.28 contrary, ~~the responsible authority~~ for a community mental health center, mental health
 74.29 division of a county, or a mental health provider must disclose mental health data to a law
 74.30 enforcement agency if the law enforcement agency provides the name of a client or patient
 74.31 and communicates that the:

75.1 (1) client or patient is currently involved in ~~an emergency interaction with~~ a mental
75.2 health crisis as defined in section 256B.0624, subdivision 2, paragraph (j), to which the law
75.3 enforcement agency has responded; and

75.4 (2) data is necessary to protect the health or safety of the client or patient or of another
75.5 person.

75.6 The scope of disclosure under this paragraph is limited to the minimum necessary for
75.7 law enforcement to safely respond to the emergency mental health crisis. Disclosure under
75.8 this paragraph may include, ~~but is not limited to,~~ the name and telephone number of the
75.9 psychiatrist, psychologist, therapist, mental health professional, practitioner, or case manager
75.10 of the client or patient, if known; and strategies to address the mental health crisis. A law
75.11 enforcement agency that obtains mental health data under this paragraph shall maintain a
75.12 record of the requestor, the provider of the ~~information~~ data, and the client or patient name.
75.13 Mental health data obtained by a law enforcement agency under this paragraph are private
75.14 data on individuals and must not be used by the law enforcement agency for any other
75.15 purpose. A law enforcement agency that obtains mental health data under this paragraph
75.16 shall inform the subject of the data that mental health data was obtained.

75.17 (d) In the event of a request under paragraph (a), clause (6), a community mental health
75.18 center, county mental health division, or provider must release mental health data to Criminal
75.19 Mental Health Court personnel in advance of receiving a copy of a consent if the Criminal
75.20 Mental Health Court personnel communicate that the:

75.21 (1) client or patient is a defendant in a criminal case pending in the district court;

75.22 (2) data being requested is limited to information that is necessary to assess whether the
75.23 defendant is eligible for participation in the Criminal Mental Health Court; and

75.24 (3) client or patient has consented to the release of the mental health data and a copy of
75.25 the consent will be provided to the community mental health center, county mental health
75.26 division, or provider within 72 hours of the release of the data.

75.27 For purposes of this paragraph, "Criminal Mental Health Court" refers to a specialty
75.28 criminal calendar of the Hennepin County District Court for defendants with mental illness
75.29 and brain injury where a primary goal of the calendar is to assess the treatment needs of the
75.30 defendants and to incorporate those treatment needs into voluntary case disposition plans.
75.31 The data released pursuant to this paragraph may be used for the sole purpose of determining
75.32 whether the person is eligible for participation in mental health court. This paragraph does
75.33 not in any way limit or otherwise extend the rights of the court to obtain the release of mental
75.34 health data pursuant to court order or any other means allowed by law.

76.1 Sec. 2. Minnesota Statutes 2021 Supplement, section 15.01, is amended to read:

76.2 **15.01 DEPARTMENTS OF THE STATE.**

76.3 The following agencies are designated as the departments of the state government: the
76.4 Department of Administration; the Department of Agriculture; the Department of Behavioral
76.5 Health; the Department of Commerce; the Department of Corrections; the Department of
76.6 Education; the Department of Employment and Economic Development; the Department
76.7 of Health; the Department of Human Rights; the Department of Information Technology
76.8 Services; the Department of Iron Range Resources and Rehabilitation; the Department of
76.9 Labor and Industry; the Department of Management and Budget; the Department of Military
76.10 Affairs; the Department of Natural Resources; the Department of Public Safety; the
76.11 Department of Human Services; the Department of Revenue; the Department of
76.12 Transportation; the Department of Veterans Affairs; and their successor departments.

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

76.14 Sec. 3. Minnesota Statutes 2021 Supplement, section 15.06, subdivision 1, is amended to
76.15 read:

76.16 Subdivision 1. **Applicability.** This section applies to the following departments or
76.17 agencies: the Departments of Administration, Agriculture, Behavioral Health, Commerce,
76.18 Corrections, Education, Employment and Economic Development, Health, Human Rights,
76.19 Labor and Industry, Management and Budget, Natural Resources, Public Safety, Human
76.20 Services, Revenue, Transportation, and Veterans Affairs; the Housing Finance and Pollution
76.21 Control Agencies; the Office of Commissioner of Iron Range Resources and Rehabilitation;
76.22 the Department of Information Technology Services; the Bureau of Mediation Services;
76.23 and their successor departments and agencies. The heads of the foregoing departments or
76.24 agencies are "commissioners."

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

76.26 Sec. 4. Minnesota Statutes 2020, section 15A.0815, subdivision 2, is amended to read:

76.27 Subd. 2. **Group I salary limits.** The salary for a position listed in this subdivision shall
76.28 not exceed 133 percent of the salary of the governor. This limit must be adjusted annually
76.29 on January 1. The new limit must equal the limit for the prior year increased by the percentage
76.30 increase, if any, in the Consumer Price Index for all urban consumers from October of the
76.31 second prior year to October of the immediately prior year. The commissioner of management

77.1 and budget must publish the limit on the department's website. This subdivision applies to
77.2 the following positions:

77.3 Commissioner of administration;

77.4 Commissioner of agriculture;

77.5 Commissioner of behavioral health;

77.6 Commissioner of education;

77.7 Commissioner of commerce;

77.8 Commissioner of corrections;

77.9 Commissioner of health;

77.10 Commissioner, Minnesota Office of Higher Education;

77.11 Commissioner, Housing Finance Agency;

77.12 Commissioner of human rights;

77.13 Commissioner of human services;

77.14 Commissioner of labor and industry;

77.15 Commissioner of management and budget;

77.16 Commissioner of natural resources;

77.17 Commissioner, Pollution Control Agency;

77.18 Commissioner of public safety;

77.19 Commissioner of revenue;

77.20 Commissioner of employment and economic development;

77.21 Commissioner of transportation; and

77.22 Commissioner of veterans affairs.

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

77.24 Sec. 5. Minnesota Statutes 2021 Supplement, section 43A.08, subdivision 1a, is amended
77.25 to read:

77.26 Subd. 1a. **Additional unclassified positions.** Appointing authorities for the following
77.27 agencies may designate additional unclassified positions according to this subdivision: the
77.28 Departments of Administration; Agriculture; Behavioral Health; Commerce; Corrections;

78.1 Education; Employment and Economic Development; Explore Minnesota Tourism;
78.2 Management and Budget; Health; Human Rights; Labor and Industry; Natural Resources;
78.3 Public Safety; Human Services; Revenue; Transportation; and Veterans Affairs; the Housing
78.4 Finance and Pollution Control Agencies; the State Lottery; the State Board of Investment;
78.5 the Office of Administrative Hearings; the Department of Information Technology Services;
78.6 the Offices of the Attorney General, Secretary of State, and State Auditor; the Minnesota
78.7 State Colleges and Universities; the Minnesota Office of Higher Education; the Perpich
78.8 Center for Arts Education; and the Minnesota Zoological Board.

78.9 A position designated by an appointing authority according to this subdivision must
78.10 meet the following standards and criteria:

78.11 (1) the designation of the position would not be contrary to other law relating specifically
78.12 to that agency;

78.13 (2) the person occupying the position would report directly to the agency head or deputy
78.14 agency head and would be designated as part of the agency head's management team;

78.15 (3) the duties of the position would involve significant discretion and substantial
78.16 involvement in the development, interpretation, and implementation of agency policy;

78.17 (4) the duties of the position would not require primarily personnel, accounting, or other
78.18 technical expertise where continuity in the position would be important;

78.19 (5) there would be a need for the person occupying the position to be accountable to,
78.20 loyal to, and compatible with, the governor and the agency head, the employing statutory
78.21 board or commission, or the employing constitutional officer;

78.22 (6) the position would be at the level of division or bureau director or assistant to the
78.23 agency head; and

78.24 (7) the commissioner has approved the designation as being consistent with the standards
78.25 and criteria in this subdivision.

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

78.27 Sec. 6. Minnesota Statutes 2020, section 144.294, subdivision 2, is amended to read:

78.28 Subd. 2. **Disclosure to law enforcement agency.** Notwithstanding section 144.293,
78.29 subdivisions 2 and 4, a provider must disclose health records relating to a patient's mental
78.30 health to a law enforcement agency if the law enforcement agency provides the name of
78.31 the patient and communicates that the:

79.1 (1) patient is currently involved in ~~an emergency interaction with~~ a mental health crisis
 79.2 as defined in section 256B.0624, subdivision 2, paragraph (j), to which the law enforcement
 79.3 agency has responded; and

79.4 (2) disclosure of the records is necessary to protect the health or safety of the patient or
 79.5 of another person.

79.6 The scope of disclosure under this subdivision is limited to the minimum necessary for
 79.7 law enforcement to safely respond to the emergency mental health crisis. The disclosure
 79.8 may include the name and telephone number of the psychiatrist, psychologist, therapist,
 79.9 mental health professional, practitioner, or case manager of the patient, if known; and
 79.10 strategies to address the mental health crisis. A law enforcement agency that obtains health
 79.11 records under this subdivision shall maintain a record of the requestor, the provider of the
 79.12 information, and the patient's name. Health records obtained by a law enforcement agency
 79.13 under this subdivision are private data on individuals as defined in section 13.02, subdivision
 79.14 12, and must not be used by law enforcement for any other purpose. A law enforcement
 79.15 agency that obtains health records under this subdivision shall inform the patient that health
 79.16 records were obtained.

79.17 **Sec. 7. [256T.01] DEPARTMENT OF BEHAVIORAL HEALTH.**

79.18 The Department of Behavioral Health is created. The governor shall appoint the
 79.19 commissioner of behavioral health under section 15.06. The commissioner shall administer:

79.20 (1) the behavioral health services under medical assistance program under chapters 256
 79.21 and 256B;

79.22 (2) the behavioral health services under MinnesotaCare program under chapter 256L;

79.23 (3) mental health and chemical dependency services under chapters 245, 245G, 253C,
 79.24 254A, and 254B; and

79.25 (4) behavioral health quality, behavioral health analysis, behavioral health economics,
 79.26 and related data collection initiatives under chapters 62J, 62U, and 144.

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

79.28 **Sec. 8. [256T.02] TRANSFER OF DUTIES.**

79.29 (a) Section 15.039 applies to the transfer under this chapter.

79.30 (b) The commissioner of administration, with the approval of the governor, may issue
 79.31 reorganization orders under section 16B.37 as necessary to carry out the transfer of duties

80.1 required by this chapter. The provision of section 16B.37, subdivision 1, stating that transfers
80.2 under section 16B.37 may be made only to an agency that has been in existence for at least
80.3 one year does not apply to transfers to an agency created by this chapter.

80.4 (c) The initial salary for the commissioner of behavioral health is the same as the salary
80.5 for the commissioner of health. The salary may be changed in the manner specified in section
80.6 15A.0815.

80.7 (d) For an employee affected by the transfer of duties required by this chapter, the
80.8 seniority accrued by the employee at the employee's former agency transfers to the employee's
80.9 new agency.

80.10 (e) The commissioner of management and budget must ensure that the aggregate cost
80.11 for the commissioner of behavioral health is not more than the aggregate cost during the
80.12 transition of creating the Department of Behavioral Health as it currently exists under the
80.13 Department of Human Services and the Department of Health immediately before the
80.14 effective date of this chapter, excluding any appropriation made during this legislative
80.15 session.

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

80.17 Sec. 9. Minnesota Statutes 2021 Supplement, section 297E.02, subdivision 3, is amended
80.18 to read:

80.19 Subd. 3. **Collection; disposition.** (a) Taxes imposed by this section are due and payable
80.20 to the commissioner when the gambling tax return is required to be filed. Distributors must
80.21 file their monthly sales figures with the commissioner on a form prescribed by the
80.22 commissioner. Returns covering the taxes imposed under this section must be filed with
80.23 the commissioner on or before the 20th day of the month following the close of the previous
80.24 calendar month. The commissioner shall prescribe the content, format, and manner of returns
80.25 or other documents pursuant to section 270C.30. The proceeds, along with the revenue
80.26 received from all license fees and other fees under sections 349.11 to 349.191, 349.211,
80.27 and 349.213, must be paid to the commissioner of management and budget for deposit in
80.28 the general fund.

80.29 (b) The sales tax imposed by chapter 297A on the sale of pull-tabs and tipboards by the
80.30 distributor is imposed on the retail sales price. The retail sale of pull-tabs or tipboards by
80.31 the organization is exempt from taxes imposed by chapter 297A and is exempt from all
80.32 local taxes and license fees except a fee authorized under section 349.16, subdivision 8.

81.1 (c) One-half of one percent of the revenue deposited in the general fund under paragraph
 81.2 (a), is appropriated to the commissioner of human services for the compulsive gambling
 81.3 treatment program established under section 245.98. Money appropriated under this paragraph
 81.4 must not replace existing state funding for these programs.

81.5 (d) One-half of one percent of the revenue deposited in the general fund under paragraph
 81.6 (a), is appropriated to the commissioner of human services ~~for a grant.~~ By June 30 of each
 81.7 fiscal year, the commissioner of human services must transfer the amount deposited in the
 81.8 general fund under this paragraph to the special revenue fund. By October 15 of each fiscal
 81.9 year, the commissioner of human services must award a grant in an amount equal to the
 81.10 entire amount transferred to the special revenue fund under this paragraph for the prior fiscal
 81.11 year to the state affiliate recognized by the National Council on Problem Gambling to
 81.12 increase public awareness of problem gambling, education and training for individuals and
 81.13 organizations providing effective treatment services to problem gamblers and their families,
 81.14 and research relating to problem gambling. Money appropriated by this paragraph must
 81.15 supplement and must not replace existing state funding for these programs.

81.16 ~~(d)~~ (e) The commissioner of human services must provide to the state affiliate recognized
 81.17 by the National Council on Problem Gambling a monthly statement of the amounts deposited
 81.18 under ~~paragraph~~ paragraphs (c) and (d). Beginning January 1, 2022, the commissioner of
 81.19 human services must provide to the chairs and ranking minority members of the legislative
 81.20 committees with jurisdiction over treatment for problem gambling and to the state affiliate
 81.21 recognized by the National Council on Problem Gambling an annual reconciliation of the
 81.22 amounts deposited under paragraph (c). The annual reconciliation under this paragraph must
 81.23 include the amount allocated to the commissioner of human services for the compulsive
 81.24 gambling treatment program established under section 245.98, and the amount allocated to
 81.25 the state affiliate recognized by the National Council on Problem Gambling.

81.26 Sec. 10. Minnesota Statutes 2020, section 626.5571, subdivision 1, is amended to read:

81.27 Subdivision 1. **Establishment of team.** A county may establish a multidisciplinary adult
 81.28 protection team comprised of the director of the local welfare agency or designees, the
 81.29 county attorney or designees, the county sheriff or designees, and representatives of health
 81.30 care. In addition, representatives of mental health or other appropriate human service
 81.31 agencies, community corrections agencies, representatives from local tribal governments,
 81.32 local law enforcement agencies or designees thereof, and adult advocate groups may be
 81.33 added to the adult protection team.

82.1 Sec. 11. **[626.8477] MENTAL HEALTH AND HEALTH RECORDS; WRITTEN**
 82.2 **POLICY REQUIRED.**

82.3 The chief officer of every state and local law enforcement agency that seeks or uses
 82.4 mental health data under section 13.46, subdivision 7, paragraph (c), or health records under
 82.5 section 144.294, subdivision 2, must establish and enforce a written policy governing its
 82.6 use. At a minimum, the written policy must incorporate the requirements of sections 13.46,
 82.7 subdivision, 7, paragraph (c), and 144.294, subdivision 2, and access procedures, retention
 82.8 policies, and data security safeguards that, at a minimum, meet the requirements of chapter
 82.9 13 and any other applicable law.

82.10 Sec. 12. **APPROPRIATION; ANOKA COUNTY SUBSTANCE USE DISORDER**
 82.11 **PROGRAM.**

82.12 \$125,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
 82.13 of human services for a grant to an existing program in Anoka County that provides services
 82.14 to help women with dependent children and struggling with substance abuse to remain
 82.15 sober, regain custody of children, achieve permanent housing, keep stable employment, and
 82.16 avoid new criminal convictions. The general fund base for this appropriation is \$125,000
 82.17 in fiscal year 2024 and \$125,000 in fiscal year 2025.

82.18 Sec. 13. **APPROPRIATION; OLMSTEAD COUNTY RECOVERY COMMUNITY**
 82.19 **ORGANIZATION.**

82.20 \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
 82.21 of human services for a grant to a recovery community organization in Olmsted County,
 82.22 located in the city of Rochester, that provides services in an 11-county region. The general
 82.23 fund base for this appropriation is \$100,000 in fiscal year 2024 and \$100,000 in fiscal year
 82.24 2025.

82.25 Sec. 14. **APPROPRIATION; ROCHESTER NONPROFIT RECOVERY**
 82.26 **COMMUNITY ORGANIZATION.**

82.27 \$53,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
 82.28 of human services for a grant to a nonprofit recovery community organization located in
 82.29 Rochester, Minnesota, that provides pretreatment housing, post-treatment recovery housing,
 82.30 treatment coordination, and peer recovery support to individuals pursuing a life of recovery
 82.31 from substance use disorders, and that also offers a recovery coaching academy to individuals

83.1 interested in becoming peer recovery specialists. The general fund base for this appropriation
 83.2 is \$55,000 in fiscal year 2024 and \$55,000 in fiscal year 2025.

83.3 **Sec. 15. APPROPRIATION; WELLNESS IN THE WOODS.**

83.4 \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
 83.5 of human services for a grant to Wellness in the Woods for daily peer support and special
 83.6 sessions for individuals who are in substance use recovery, are transitioning out of
 83.7 incarceration, or have experienced trauma. The general fund base for this appropriation is
 83.8 \$100,000 in fiscal year 2024 and \$100,000 in fiscal year 2025.

83.9 **Sec. 16. APPROPRIATION; ADULT DAY TREATMENT SERVICES.**

83.10 \$261,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
 83.11 of human services for adult day treatment services covered under Minnesota Statutes, chapter
 83.12 256B, to increase the reimbursement rate for adult day treatment under Minnesota Rules,
 83.13 part 9505.0372, subpart 8, by 50 percent over the reimbursement rate in effect as of December
 83.14 31, 2022. The general fund base for this appropriation is \$658,000 in fiscal year 2024 and
 83.15 \$692,000 in fiscal year 2025.

83.16 **EFFECTIVE DATE.** This section is effective January 1, 2023, or 60 days following
 83.17 federal approval, whichever is later. The commissioner of human services shall notify the
 83.18 revisor of statutes when federal approval is obtained.

83.19 **Sec. 17. REVISOR INSTRUCTION.**

83.20 The revisor of statutes, in consultation with staff from the House Research Department;
 83.21 House Fiscal Analysis; the Office of Senate Counsel, Research, and Fiscal Analysis; and
 83.22 the respective departments shall prepare legislation for introduction in the 2023 legislative
 83.23 session proposing the statutory changes needed to implement the transfers of duties required
 83.24 by this act.

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

83.26 **ARTICLE 5**

83.27 **CHILD WELFARE**

83.28 **Section 1.** Minnesota Statutes 2020, section 256K.45, subdivision 6, is amended to read:

83.29 **Subd. 6. Funding.** Funds appropriated for this section may be expended on programs
 83.30 described under subdivisions 3 to 5 and 8, technical assistance, and capacity building to

84.1 meet the greatest need on a statewide basis. The commissioner will provide outreach,
 84.2 technical assistance, and program development support to increase capacity to new and
 84.3 existing service providers to better meet needs statewide, particularly in areas where services
 84.4 for homeless youth have not been established, especially in greater Minnesota.

84.5 Sec. 2. Minnesota Statutes 2020, section 256K.45, is amended by adding a subdivision to
 84.6 read:

84.7 Subd. 7. **Awarding of grants.** (a) Grants awarded under this section shall not be used
 84.8 for any activity other than the authorized activities under this section, and the commissioner
 84.9 shall not create additional eligibility criteria or restrictions on the grant money.

84.10 (b) Grants shall be awarded under this section only after a review of the grant recipient's
 84.11 application materials, including past performance and utilization of grant money. The
 84.12 commissioner shall not reduce an existing grant award amount unless the commissioner
 84.13 first determines that the grant recipient has failed to meet performance measures or has used
 84.14 grant money improperly.

84.15 (c) For grants awarded pursuant to a two-year grant contract, the commissioner shall
 84.16 permit grant recipients to carry over any unexpended amount from the first contract year
 84.17 to the second contract year.

84.18 Sec. 3. Minnesota Statutes 2020, section 256K.45, is amended by adding a subdivision to
 84.19 read:

84.20 Subd. 8. **Provider repair or improvement grants.** (a) Providers that serve homeless
 84.21 youth under this section may apply for a grant of up to \$100,000 under this subdivision to
 84.22 make minor or mechanical repairs or improvements to a facility providing services to
 84.23 homeless youth or youth at risk of homelessness.

84.24 (b) Grant applications under this subdivision must include a description of the repairs
 84.25 or improvements and the estimated cost of the repairs or improvements.

84.26 (c) Grantees under this subdivision cannot receive grant funds under this subdivision
 84.27 for two consecutive years.

84.28 Sec. 4. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 24,
 84.29 is amended to read:

| | | | |
|-------|-----------------------------------------------|------------|------------|
| 84.30 | Subd. 24. Grant Programs; Children and | | |
| 84.31 | Economic Support Grants | 29,740,000 | 29,740,000 |

85.1 **(a) Minnesota Food Assistance Program.**

85.2 Unexpended funds for the Minnesota food
85.3 assistance program for fiscal year 2022 do not
85.4 cancel but are available in fiscal year 2023.

85.5 **(b) Provider Repair or Improvement**

85.6 **Grants.** \$1,000,000 in fiscal year 2022 and
85.7 \$1,000,000 in fiscal year 2023 are from the
85.8 general fund for provider repair or
85.9 improvement grants under Minnesota Statutes,
85.10 section 256K.45, subdivision 8. The amounts
85.11 in this paragraph are available until June 30,
85.12 2025. This paragraph expires July 1, 2025.

85.13 Sec. 5. Laws 2021, First Special Session chapter 8, article 6, section 1, subdivision 7, is
85.14 amended to read:

85.15 Subd. 7. **Report.** (a) No later than February 1, 2022, the task force shall submit an initial
85.16 report to the chairs and ranking minority members of the house of representatives and senate
85.17 committees and divisions with jurisdiction over housing and preventing homelessness on
85.18 its findings and recommendations.

85.19 (b) No later than ~~August 31~~ December 15, 2022, the task force shall submit a final report
85.20 to the chairs and ranking minority members of the house of representatives and senate
85.21 committees and divisions with jurisdiction over housing and preventing homelessness on
85.22 its findings and recommendations.

85.23 Sec. 6. **APPROPRIATION; QUALITY PARENTING INITIATIVE.**

85.24 (a) \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
85.25 of human services for a grant to Quality Parenting Initiative Minnesota, to implement Quality
85.26 Parenting Initiative principles and practices and support children and families experiencing
85.27 foster care placements. The grantee shall use grant funds to provide training and technical
85.28 assistance to county and Tribal agencies, community-based agencies, and other stakeholders,
85.29 on the following activities:

85.30 (1) conducting initial foster care phone calls under Minnesota Statutes, section 260C.219,
85.31 subdivision 6;

85.32 (2) supporting practices that create birth family to foster family partnerships; and

86.1 (3) informing child welfare practices by supporting youth leadership and the participation
 86.2 of individuals with experience in the foster care system.

86.3 (b) The base for this appropriation is \$100,000 in fiscal year 2024 and \$100,000 in fiscal
 86.4 year 2025.

86.5 **ARTICLE 6**

86.6 **ECONOMIC ASSISTANCE**

86.7 Section 1. Minnesota Statutes 2020, section 256E.35, subdivision 1, is amended to read:

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

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

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

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

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

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

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

86.23 (d) "Fiduciary organization" means:

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

86.25 (2) a federal community development credit union ~~serving the seven-county metropolitan~~
 86.26 ~~area; or~~

86.27 (3) a women-oriented economic development agency ~~serving the seven-county~~
 86.28 ~~metropolitan area;~~

86.29 (4) a federally recognized Tribal nation; or

87.1 (5) a nonprofit organization, as defined under section 501(c)(3) of the Internal Revenue
87.2 Code.

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

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

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

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

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

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

87.15 (h) "Permissible use" means:

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

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

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

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

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

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

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

88.1 Sec. 3. Minnesota Statutes 2020, section 256E.35, subdivision 4a, is amended to read:

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

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

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

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

88.10 Sec. 4. Minnesota Statutes 2020, section 256E.35, subdivision 6, is amended to read:

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

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

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

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

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

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

89.1 Sec. 5. Minnesota Statutes 2020, section 256E.35, subdivision 7, is amended to read:

89.2 Subd. 7. **Program reporting.** The fiscal agent on behalf of each fiduciary organization
89.3 participating in a family assets for independence initiative must report quarterly to the
89.4 commissioner of human services identifying the participants with accounts, the number of
89.5 accounts, the amount of savings and matches for each participant's account, the uses of the
89.6 account, and the number of businesses, homes, vehicles, and educational services paid for
89.7 with money from the account, and the amount of contributions to Minnesota 529 savings
89.8 plans and emergency savings accounts, as well as other information that may be required
89.9 for the commissioner to administer the program and meet federal TANF reporting
89.10 requirements.

89.11 Sec. 6. Minnesota Statutes 2021 Supplement, section 256P.02, subdivision 1a, is amended
89.12 to read:

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

89.18 Sec. 7. Minnesota Statutes 2021 Supplement, section 256P.02, subdivision 2, is amended
89.19 to read:

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

89.23 (1) cash;

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

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

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

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

89.28 Sec. 8. Minnesota Statutes 2020, section 256P.02, is amended by adding a subdivision to
89.29 read:

89.30 Subd. 4. **Account exception.** Family asset accounts under section 256E.35 and individual
89.31 development accounts authorized under the Assets for Independence Act, Title IV of the

90.1 Community Opportunities, Accountability, and Training and Educational Services Human
90.2 Services Reauthorization Act of 1998, Public Law 105-285, shall be excluded when
90.3 determining the equity value of personal property.

90.4 Sec. 9. Minnesota Statutes 2020, section 256P.03, subdivision 2, is amended to read:

90.5 Subd. 2. **Earned income disregard.** The agency shall disregard the first \$65 of earned
90.6 income plus ~~one-half~~ 60 percent of the remaining earned income per month.

90.7 Sec. 10. Laws 2021, First Special Session chapter 7, article 14, section 21, subdivision 4,
90.8 is amended to read:

90.9 Subd. 4. **Grant awards.** (a) The commissioner shall award transition grants to all eligible
90.10 programs on a noncompetitive basis through August 31, 2021.

90.11 (b) The commissioner shall award base grant amounts to all eligible programs on a
90.12 noncompetitive basis beginning September 1, 2021, through June 30, 2023. The base grant
90.13 amounts shall be:

90.14 (1) based on the full-time equivalent number of staff who regularly care for children in
90.15 the program, including any employees, sole proprietors, or independent contractors. Effective
90.16 July 1, 2022, one full-time equivalent is defined as an individual caring for children 32
90.17 hours per week. An individual may count as more or less than one full-time equivalent, but
90.18 no more than two. No program shall receive less funding than they are projected to receive
90.19 based on Table 4 in the Technical Assistance for Defining FTE Stabilization Base Grants
90.20 document dated March 29, 2022;

90.21 (2) reduced between July 1, 2022, and June 30, 2023, with amounts for the final month
90.22 being no more than 50 percent of the amounts awarded in September 2021; and

90.23 (3) enhanced in amounts determined by the commissioner for any providers receiving
90.24 payments through the child care assistance program under sections 119B.03 and 119B.05
90.25 or early learning scholarships under section 124D.165.

90.26 (c) The commissioner may provide grant amounts in addition to any base grants received
90.27 to eligible programs in extreme financial hardship until all money set aside for that purpose
90.28 is awarded.

90.29 (d) The commissioner may pay any grants awarded to eligible programs under this
90.30 section in the form and manner established by the commissioner, except that such payments
90.31 must occur on a monthly basis.

91.1 Sec. 11. **APPROPRIATION; FAMILY ASSETS FOR INDEPENDENCE PROGRAM.**
 91.2 \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
 91.3 of human services for the purposes of the family assets for independence program in
 91.4 Minnesota Statutes, section 256E.35. The general fund base for this appropriation is \$100,000
 91.5 in fiscal year 2024 and \$100,000 in fiscal year 2025.

91.6 **ARTICLE 7**

91.7 **MISCELLANEOUS**

91.8 Section 1. Minnesota Statutes 2020, section 245C.02, is amended by adding a subdivision
 91.9 to read:

91.10 Subd. 11f. **Health care worker platform.** "Health care worker platform" means any
 91.11 person, firm, corporation, partnership, or association that maintains a system or technology
 91.12 that provides a media or internet platform for a health care worker to be listed and identified
 91.13 as available for hire as an independent contractor by health care facilities seeking health
 91.14 care workers.

91.15 Sec. 2. Minnesota Statutes 2020, section 245C.02, subdivision 17a, is amended to read:

91.16 Subd. 17a. **Roster.** (a) "Roster" means the electronic method used to identify the entity
 91.17 or entities required to conduct background studies under this chapter with which a background
 91.18 subject is affiliated. There are three types of rosters: active roster, inactive roster, and master
 91.19 roster.

91.20 (b) "Active roster" means the list of individuals specific to an entity who have been
 91.21 determined eligible under this chapter to provide services for the entity and who the entity
 91.22 has identified as affiliated. An individual shall remain on the entity's active roster and is
 91.23 considered affiliated until the commissioner determines the individual is ineligible or the
 91.24 entity removes the individual from the entity's active roster.

91.25 (c) "Inactive roster" means the list maintained by the commissioner of individuals who
 91.26 are eligible under this chapter to provide services and are not on an active roster. Individuals
 91.27 shall remain on the inactive roster for no more than 180 consecutive days, unless:

91.28 (1) the individual submits a written request to the commissioner requesting to remain
 91.29 on the inactive roster for a longer period of time;

91.30 (2) the individual self-initiated a background study, in which case the individual shall
 91.31 remain on the inactive roster for one year; or -

92.1 (3) a health care worker platform initiated a background study on behalf of an individual,
92.2 in which case the individual shall remain on the inactive roster for one year.

92.3 Upon the commissioner's receipt of information that may cause an individual on the inactive
92.4 roster to be disqualified under this chapter, the commissioner shall remove the individual
92.5 from the inactive roster, and if the individual again seeks a position requiring a background
92.6 study, the individual shall be required to complete a new background study.

92.7 (d) "Master roster" means the list maintained by the commissioner of all individuals
92.8 who, as a result of a background study under this chapter, and regardless of affiliation with
92.9 an entity, are determined by the commissioner to be eligible to provide services for one or
92.10 more entities. The master roster includes all background study subjects on rosters under
92.11 paragraphs (b) and (c).

92.12 Sec. 3. Minnesota Statutes 2021 Supplement, section 245C.03, is amended by adding a
92.13 subdivision to read:

92.14 Subd. 16. **Self-initiated background studies.** The commissioner shall conduct
92.15 background studies according to this chapter when initiated by an individual who is not on
92.16 the master roster. A subject under this subdivision who is not disqualified must be placed
92.17 on the inactive roster.

92.18 Sec. 4. Minnesota Statutes 2021 Supplement, section 245C.03, is amended by adding a
92.19 subdivision to read:

92.20 Subd. 17. **Health care worker platform.** The commissioner shall conduct background
92.21 studies according to this chapter when initiated by a health care worker platform on behalf
92.22 of an individual who is not on the master roster. A subject under this subdivision who is
92.23 not disqualified must be placed on the inactive roster.

92.24 Sec. 5. Minnesota Statutes 2020, section 245C.04, subdivision 4a, is amended to read:

92.25 Subd. 4a. **Agency background studies; electronic criminal case information updates;**
92.26 **rosters; and criteria for eliminating repeat background studies.** (a) The commissioner
92.27 shall develop and implement an electronic process as a part of NETStudy 2.0 for the regular
92.28 transfer of new criminal case information that is added to the Minnesota court information
92.29 system. The commissioner's system must include for review only information that relates
92.30 to individuals who are on the master roster.

92.31 (b) The commissioner shall develop and implement an online system as a part of
92.32 NETStudy 2.0 for agencies that initiate background studies under this chapter to access and

93.1 maintain records of background studies initiated by that agency. The system must show all
93.2 active background study subjects affiliated with that agency and the status of each individual's
93.3 background study. Each agency that initiates background studies must use this system to
93.4 notify the commissioner of discontinued affiliation for purposes of the processes required
93.5 under paragraph (a).

93.6 (c) After an entity initiating a background study has paid the applicable fee for the study
93.7 and has provided the individual with the privacy notice required under section 245C.05,
93.8 subdivision 2c, NETStudy 2.0 shall immediately inform the entity whether the individual
93.9 requires a background study or whether the individual is immediately eligible to provide
93.10 services based on a previous background study. If the individual is immediately eligible,
93.11 the entity initiating the background study shall be able to view the information previously
93.12 supplied by the individual who is the subject of a background study as required under section
93.13 245C.05, subdivision 1, including the individual's photograph taken at the time the
93.14 individual's fingerprints were recorded. The commissioner shall not provide any entity
93.15 initiating a subsequent background study with information regarding the other entities that
93.16 initiated background studies on the subject.

93.17 (d) Verification that an individual is eligible to provide services based on a previous
93.18 background study is dependent on the individual voluntarily providing the individual's
93.19 Social Security number to the commissioner at the time each background study is initiated.
93.20 When an individual does not provide the individual's Social Security number for the
93.21 background study, that study is not transferable and a repeat background study on that
93.22 individual is required if the individual seeks a position requiring a background study under
93.23 this chapter with another entity.

93.24 (e) Notwithstanding paragraphs (b) and (c), the commissioner must not provide a health
93.25 care worker platform that initiates a background study on an individual's behalf under section
93.26 245C.03, subdivision 17, with access to any information regarding the subject other than
93.27 whether the individual is immediately eligible to provide services.

93.28 Sec. 6. Minnesota Statutes 2020, section 245C.04, is amended by adding a subdivision to
93.29 read:

93.30 Subd. 12. **Individuals.** An individual who initiates a background study under section
93.31 245C.03, subdivision 16, must initiate the studies annually through NETStudy 2.0.

94.1 Sec. 7. Minnesota Statutes 2020, section 245C.04, is amended by adding a subdivision to
94.2 read:

94.3 Subd. 13. **Health care worker platform.** A health care worker platform that initiates
94.4 a background study on an individual's behalf under section 245C.03, subdivision 17, must
94.5 initiate the studies annually through NETstudy 2.0.

94.6 Sec. 8. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision to
94.7 read:

94.8 Subd. 22. **Individuals.** The commissioner shall recover the cost of the background
94.9 studies initiated by individuals under section 245C.03, subdivision 16, through a fee of no
94.10 more than \$42 per study charged to the individual. The fees collected under this subdivision
94.11 are appropriated to the commissioner for the purpose of conducting background studies.

94.12 Sec. 9. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision to
94.13 read:

94.14 Subd. 23. **Health care worker platform.** The commissioner shall recover the cost of
94.15 the background studies initiated by health care worker platforms under section 245C.03,
94.16 subdivision 17, through a fee of no more than \$42 per study charged to the individual. The
94.17 fees collected under this subdivision are appropriated to the commissioner for the purpose
94.18 of conducting background studies.

94.19 Sec. 10. **[256.4791] COMMUNITY ORGANIZATIONS GRANT PROGRAM.**

94.20 Subdivision 1. **Establishment.** The commissioner of human services shall establish the
94.21 community organizations grant program to address violence prevention and provide street
94.22 outreach services.

94.23 Subd. 2. **Applications.** Organizations seeking grants under this section shall apply to
94.24 the commissioner. The grant applicant must include a description of the project that the
94.25 applicant is proposing, the amount of money that the applicant is seeking, and a proposed
94.26 budget describing how the applicant will spend the grant money.

94.27 Subd. 3. **Eligible applicants.** To be eligible for a grant under this section, applicants
94.28 must address violence prevention, connect with youth and community members, and provide
94.29 street outreach services. Applicants must also be focused on prevention, intervention, and
94.30 restorative practices within the community, which may include:

94.31 (1) providing trauma-responsive care; and

95.1 (2) access to individual and group therapy services or community healing.

95.2 Subd. 4. Use of grant money. Grant recipients must use the funds to address violence
 95.3 prevention, connect with youth and community members, and provide street outreach
 95.4 services.

95.5 Subd. 5. Reporting. Grant recipients must provide an annual report to the commissioner
 95.6 in a manner specified by the commissioner on the activities and outcomes of the project
 95.7 funded by the grant program.

95.8 **Sec. 11. EMPLOYMENT FOR PERSONS EXPERIENCING HOMELESSNESS**
 95.9 **OR SUBSTANCE USE DISORDER.**

95.10 (a) Nonprofit organizations, licensed providers, and other entities that receive funding
 95.11 from the commissioner of human services to address homelessness or provide services to
 95.12 individuals experiencing homelessness must incorporate into their program the facilitation
 95.13 of full- or part-time employment and provide or make available employment services for
 95.14 each client to the extent appropriate for each client.

95.15 (b) Nonprofit organizations, licensed providers, and other entities that receive funding
 95.16 from the commissioner of human services to provide substance use disorder services or
 95.17 treatment must incorporate into their program the facilitation of full- or part-time employment
 95.18 and provide or make available employment services for each client to the extent appropriate
 95.19 for each client.

95.20 **Sec. 12. APPROPRIATION; COMMUNITY ORGANIZATIONS GRANT**
 95.21 **PROGRAM.**

95.22 \$100,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
 95.23 of human services for the community organizations grants under Minnesota Statutes, section
 95.24 256.4791. The general fund base for this appropriation is \$100,000 in fiscal year 2024 and
 95.25 \$100,000 in fiscal year 2025."

95.26 Delete the title and insert:

95.27 "A bill for an act

95.28 relating to state government; modifying provisions governing community supports,
 95.29 continuing care for older adults, health care, behavioral health, child welfare,
 95.30 economic assistance, and background studies; establishes a department of behavioral
 95.31 health; establishing certain grants; appropriating money; amending Minnesota
 95.32 Statutes 2020, sections 13.46, subdivision 7; 15A.0815, subdivision 2; 144.294,
 95.33 subdivision 2; 144G.45, subdivision 7; 245C.02, subdivision 17a, by adding a
 95.34 subdivision; 245C.04, subdivision 4a, by adding subdivisions; 245C.10, by adding
 95.35 subdivisions; 252.275, subdivisions 4c, 8; 256B.057, subdivision 9; 256B.0625,

96.1 subdivision 17a; 256B.0659, subdivisions 1, 12, 19, 24; 256B.4911, by adding a
 96.2 subdivision; 256B.4914, subdivisions 8, as amended, 9, as amended; 256B.5012,
 96.3 by adding subdivisions; 256B.85, by adding a subdivision; 256E.35, subdivisions
 96.4 1, 2, 4a, 6, 7; 256I.05, by adding a subdivision; 256K.45, subdivision 6, by adding
 96.5 subdivisions; 256P.02, by adding a subdivision; 256P.03, subdivision 2; 256R.02,
 96.6 subdivisions 16, 24, 26, 29, 34, by adding subdivisions; 256R.23, subdivisions 2,
 96.7 3; 256R.24, subdivision 1; 256R.25; 256S.16; 256S.201, subdivision 3; 256S.213,
 96.8 subdivision 1; 626.5571, subdivision 1; Minnesota Statutes 2021 Supplement,
 96.9 sections 15.01; 15.06, subdivision 1; 43A.08, subdivision 1a; 245C.03, by adding
 96.10 subdivisions; 256B.0625, subdivision 17; 256B.0659, subdivision 17a; 256B.49,
 96.11 subdivision 28; 256B.4914, subdivision 5, as amended; 256B.85, subdivisions 7,
 96.12 7a; 256B.851, subdivision 5; 256P.02, subdivisions 1a, 2; 256S.205; 256S.21;
 96.13 297E.02, subdivision 3; Laws 2014, chapter 312, article 27, section 75; Laws 2021,
 96.14 First Special Session chapter 7, article 14, section 21, subdivision 4; article 16,
 96.15 section 2, subdivisions 1, 24, 29; article 17, section 14; Laws 2021, First Special
 96.16 Session chapter 8, article 6, section 1, subdivision 7; Laws 2022, chapter 33, section
 96.17 1, subdivisions 3, 4, 5a, 5b, 5c, 5d, 5f, 10, 10a, 10c, 12, 14; by adding a subdivision;
 96.18 Laws 2022, chapter 40, sections 6; 7; proposing coding for new law in Minnesota
 96.19 Statutes, chapters 256; 256B; 626; proposing coding for new law as Minnesota
 96.20 Statutes, chapter 256T; repealing Minnesota Statutes 2021 Supplement, section
 96.21 256S.2101; Laws 2022, chapter 33, section 1, subdivision 9."

96.22 And when so amended the bill do pass and be re-referred to the Committee on Finance.

96.23 Amendments adopted. Report adopted.



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 (Committee Chair)

April 5, 2022.....
 (Date of Committee recommendation)