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Senate

State of Minnesota

S.F. No. 2934 – Omnibus Human Services Appropriations (1st Engrossment)

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ARTICLE 1 – DISABILITY SERVICES

Section 1 **(16A.152, subdivision 1b – Budget reserve level)** is a conforming change related to the establishment of the long-term care access fund.

Section 2 **(16A.152, subdivision 2 – Additional Revenue; priority)** requires the commissioner of management and budget prior to allocating money to the budget reserve account to allocate to the long-term care access fund any positive unrestricted budgetary general fund balances attributable to underspending of prior year appropriations for the medical assistance long-term care waivers and long-term care facilities.

Section 3 **[16A.7241 – LONG-TERM CARE ACCESS FUND]** establishes the long-term care access fund and specifies the calculation of the contribution amount and permissible uses of the money in the fund.

> **Subdivision 1** establishes the fund with language similar to the establishment of the health care access fund.
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> **Subdivision 2** specifies that the amount to be contributed to the long-term access fund following each forecast must be equal to any amount greater than zero resulting from subtracting the state share of the projected expenditures for the long-term care facility and long-term care waiver portions of the medical assistance program from the state share of the most recently enacted appropriation from the general fund for these portions of the medical assistance program.
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> **Subdivision 3** repeats the requirement from section 16A.152, subdivision 2, that the commissioner of management and budget must transfer the amount calculated under this section to the long-term care access fund.

Subdivision 4 specifies that the legislature may appropriate money from the long-term care access fund only to the commissioner of human services and only to fund long-term care initiatives to prevent or delay the need for Minnesotans to receive publicly funded long-term care services and supports and that neither the legislature nor the commissioner may use funds appropriated from the long-term care access fund to supplant or as a substitute for forecasted spending in medical assistance or for any other purpose.

Section 4 **(179A.54, subdivision 11 – Home care orientation trust)** establishes a joint labor and management trust, the Home Care Orientation Trust, to receive contributions from the state pursuant to a collective bargaining agreement for the purposes of funding orientation training of individual providers of direct support services.

Section 5 **(245.945 – REIMBURSEMENT TO OMBUDSMAN FOR MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES)** clarifies that the commissioner must remit all federal funding received for administrative functions performed by the Office of the Ombudsman to the Office.

Section 6 **(245A.03, subdivision 7, paragraph (a) – Licensing moratorium)** modifies an existing foster care moratorium exception and creates a new exception.

Clause (5) expands an existing moratorium exception *for individuals* receiving customized living to include individuals receiving customized living under the elderly waiver and extends the application deadline for this exception from June 30, 2023, to December 31, 2023.

Clause (6) creates a new moratorium exception *for customized living settings* that were providing customized living services on June 30, 2021, and that are apply for a chapter 245D HCBS services license before December 31, 2023, and specifies that the licensed capacity of the newly licensed community residential setting must be four.

Section 7 **(245A.11, subdivision 7 - Adult foster care; variance for alternate overnight supervision)** clarifies that the existing variance requirements for alternate overnight supervision in adult foster care settings do not apply to the proposed remote overnight supervision provisions for community residential settings licensed under chapter 245D.

Section 8 **(245A.11, subdivision 7a - Alternate overnight supervision technology; adult foster care)** clarifies that the existing requirements for alternate overnight supervision technology in adult foster care do not apply to the proposed requirements for the use of technology to provide remote overnight supervision in community residential settings licensed under chapter 245D.

Section 9 **[245D.261 COMMUNITY RESIDENTIAL SETTINGS; REMOTE OVERNIGHT SUPERVISION**] creates new licensing requirements for community residential settings using remote overnight supervision.

Subdivision 1 defines "technology" and "resident."

Subdivision 2 permits the use of remote overnight supervision in a community residential setting only if a determination has been made and documented in the person's support plan or support plan addendum that a resident does not require the presence of direct support staff overnight.

Subdivision 3 establishes the requirements for using remote overnight supervision, which include notice and documentation requirements, establishing a maximum permissible response time, using a device capable of live two-way communication or engagement

between a resident and direct support staff at a remote location, an evaluation of each notification that a resident needs on-site assistance, and the presence of assistance on-site with the required response time following notification of a need for the physical presence of assistance.

Subdivision 4 establishes requirements regarding written policies and procedures related to the use of remote overnight supervision, and requires license holders to conduct physical presence response drills.

Subdivision 5 requires signed informed consent from the resident prior to the use of remote overnight supervision.

Section 10 **[256.4761 PROVIDER CAPACITY GRANTS FOR RURAL AND UNDERSERVED COMMUNITIES]** establishes a grant program for building organization capacity to provide and be reimbursed for state-funded home and community-based services. The grant program must prioritize awarding grants to organizations providing culturally specific and culturally responsive services or that serve historically underserved communities.

Section 11 **[256.4762 LONG-TERM CARE WORKFORCE GRANTS FOR NEW AMERICANS]** establishes a program to award grants to organizations supporting immigrants, refugees, and other individuals born abroad and their children, obtain or maintain employment in the long-term care workforce.

Section 12 **[256.4763 AWARENESS-BUILDING CAMPAIGN FOR THE RECRUITMENT OF DIRECT CARE PROFESSIONALS]** requires the commissioner of employment and economic development to contract with an outside vendor to implement a paid advertising campaign to recruit direct care professionals.

Section 13 **[256.4764 HOME AND COMMUNITY-BASED WORKFORCE INCENTIVE FUND GRANTS]** establishes a grant program for home and community-based services providers to recruit and retain direct support workers by providing retention bonuses of up to $1,000 per year and other employee benefits and excludes the retention bonuses from income.

Section 14 **[256.4771 SUPPORTED-DECISION-MAKING PROGRAMS]** establishes a grant program for general operation grants to public and private nonprofit organizations, counties, and Tribes to provide and promote supported decision making.

Section 15 **[256.4773 TECHNOLOGY FOR HOME GRANTS]** establishes a grant program for individuals receiving home and community-based services while living in their own home and could benefit from assistive technology to receive consultations and technical assistance regarding assistive technology.

Section 16 **(256B.0659, subdivision 1, paragraph (i) – Definitions)** allows a personal care assistant (PCA) to bill medical assistance for the time the PCA spends driving a recipient. Current law allows a PCA to bill medical assistance for the time the PCA spending traveling with a recipient, but not if the PCA is driving the recipient.

Section 17 **(256B.0659, subdivision 12 - Documentation of personal care assistance services provided)** establishes new PCA time sheet documentation requirements related to a PCA traveling with or driving a recipient of personal care assistance services.

Section 18 **(256B.0659, subdivision 19 - Personal care assistance choice option; qualifications; duties)** specifies that under the PCA Choice program, the recipient must ensure that a PCA who is

driving the recipient has a valid driver license and that the car being driven has valid insurance.

Section 19 **(256B.0659, subdivision 24 - Personal care assistance provider agency; general duties)** specifies that under the traditional PCA program, the provider agency must ensure that the PCA who is driving a recipient has a valid driver's license and that the car being driven has valid insurance.

Section 20 **(256B.0911, subdivision 13 - MnCHOICES assessor qualifications, training, and certification)** removes the requirement that MnCHOICES certified assessors who are not registered nurses have experience in the home and community-based services industry.

Section 21 **(256B.0949, subdivision 15 - EIDBI provider qualifications)** expands EIDBI level 2 and 3 providers to include individuals who are certified by a Tribal nation.

Section 22 **(256B.49, subdivision 11 – Authority)** requires the commissioner, notwithstanding existing waiver plan requirements and HCBS setting transition plans, to treat individuals who are under the age of 55 as of March 1, 2023, as if they are 55 years of age or older for the purposes of any setting capacity limits.

Section 23 **(256B.49, subdivision 28 – Customized living moratorium for brain injury and community access for disability inclusion waivers)** requires the commissioner to approve exceptions to the customized living moratorium for providers who relocate to a new address.

Section 24 **(256B.4905, subdivision 5a – Employment first implementation for disability waiver services)** clarifies that the employment first policy of the state and the implementation of that policy do not prohibit an individual with a disability from choosing to work for a special minimum wage under a 14(c) certificate provided the choice is proceeded by a person-centered planning process and an informed decision-making process.

Section 25 **(256B.4911, subdivision 6 - Services provided by parents and spouses)** increases the total number of hours in a week for which parents of a minor or a spouse may be paid to provide personal assistance services under consumer-directed community supports (CDCS) from 40 total hours to 80 hours when more than one parent is providing service (provided no single parent provides more than 40 hours), 60 hours when only one parent is providing service, and 60 hours for a spouse.

Section 26 **(256B.4912, subdivision 1b - Direct support professional annual labor market survey)** establishes a direct support professional annual labor market survey.

Section 27 **(256B.4912 – subdivision 1c - Annual labor market report)** requires the commissioner to publish annual reports on provider and state-level labor market data.

Section 28 **(256B.4912, subdivision 16 - Rates established by the commissioner)** requires the commissioner to establish rates for various homemaker services that are equal to the corresponding homemaker service rates established under the elderly waiver rate framework as amended in this act.

Section 29 **(256B.4914, subdivision 3 - Applicable services)** removes respite services from DWRS resulting in a market rate for these services.

Section 30 **(256B.4914, subdivision 4 - Data collection for rate determination)** is a conforming change related to setting respite service rates at a market rate.

Section 31 **(256B.4914, subdivision 5- Base wage index; establishment and updates)** modifies the timing of future scheduled updates to the disability waiver rate setting framework's base wage index. The next scheduled update is moved forward ten months to January 1, 2024. Subsequent updates will be every two years. Buys back the forecasted spending change from November to February. The change to the age of the wage data used does not contribute to the rate change.

Section 32 **(256B.4914, subdivision 5a - Base wage index; calculations)** corrects a drafting error; increases rates for positive supports; increases rates for employment exploration services, and makes a conforming change related to respite services.

Section 33 **(256B.4914, subdivision 5b - Standard component value adjustments)** makes a conforming change related to respite and modifies the timing of future scheduled inflation adjustments to select component values of the disability waiver rate setting framework. The next scheduled adjustment is moved forward ten months to January 1, 2024. Subsequent updates will be every two years. The change in the age of the inflation data does contribute to the rate change.

Section 34 **(256B.4914, subdivision 5c - Removal of after-framework adjustments)** makes a conforming change related to the competitive workforce factor.

Section 35 **(256B.4914, subdivision 5d - Unavailable data for updates and adjustments)** makes a conforming change related to the competitive workforce factor.

Section 36 **(256B.4914, subdivision 5e - Inflationary update spending requirement)** modifies the existing spending requirements for providers receiving rate increases determined by the disability waiver rate setting framework by removing the limitation that the spending requirements apply only to revenue increases realized before April 1, 2024. Under existing law, the requirement to spend at least 80 percent of increased revenue resulting from rate increases on compensation-related costs expires on March 31, 2024. Also removes from the spending requirements increased revenue resulting from inflation increases applied to the component values unrelated to wage costs.

Section 37 **(256B.4914, subdivision 5f - Competitive workforce factor adjustments)** establishes a new biennial update to the disability waiver rate setting framework's competitive workforce factor, beginning on January 1, 2024, that applies only to residential and day services. This section also restricts the size of any biennial decrease in the CWF and ensures that the CWF is never negative.

Section 38 **(256B.4914, subdivision 8 - Unit-based services with programming; component values and calculation of payment rates)** increase from two to three the number of recipients who may share individualized home supports with training and individualized home supports with family training.

Section 39 **(256B.4914, subdivision 9 - Unit-based services without programming; component values and calculation of payment rates)** increase from two to three the number of recipients who may share individualized home support without training.

Section 40 **(256B.4914, subdivision 10 - Evaluation of information and data)** makes a conforming change related to respite services.

Section 41 **(256B.4914, subdivision 10a - Reporting and analysis of cost data)** makes a conforming change related to respite services.

Section 42 **(256B.4914, subdivision 10c - Reporting and analysis of competitive workforce factor)** modifies the existing requirement that the commissioner of human services submit a

biennial report on the CWF to the legislature by removing the requirement that the report contain recommendations concerning updating the CWF.

Section 43 **(256B.4914, subdivision 12 - Customization of rates for individuals)** makes a conforming change related to respite services.

Section 44 **(256B.4914, subdivision 14 – Exceptions)** makes a conforming change related to respite services.

Section 45 **(256B.492, HOME AND COMMUNITY-BASED SETTINGS FOR PEOPLE WITH DISABILITIES)** modifies the requirements for home and community-based services settings by requires the commissioner, notwithstanding existing waiver plan requirements and HCBS setting transition plans, to treat individuals who are under the age of 55 as of March 1, 2023, as if they are 55 years of age or older for the purposes of any setting capacity limits.

Section 46 **(256B.5012, subdivision 19 - ICF/DD rate increase effective July 1, 2023)** increases ICF/DD rates for both class A and class B facilities by $50 per resident per day.

Section 47 **(256B.5012, subdivision 20 - ICF/DD minimum daily operating payment rates)** sets a per resident per day rate floor of $300 for class A facilities and $400 for class B facilities.

Section 48 **(256B.5012, subdivision 21 - Spending requirements)** requires at least 80 percent of the increased medical assistance revenue resulting from the rate increases in subdivisions 19 and 20 be used to increase compensation related costs, and requires a distribution plan for the increased revenue.

Section 49 **(256B.85, subdivision 7 - Community first services and supports; covered services)** makes a conforming change related to CFSS services provided by parents and spouses.

Section 50 **(256B.85, subdivision 7b - Services provided by parents and spouses)** increases the total number of hours in a week for which parents of a minor or a spouse may be paid to provide community first services and supports from 40 total hours to 80 hours when more than one parent is providing service (provided no single parent provides more than 40 hours), 60 hours when only one parent is providing service, and 60 hours for a spouse

Section 51 **(256B.851, subdivision 5 - Payment rates; component values)** increases PCA and CFSS rates.

> **Paragraph (b)** increases the CFSS framework implementation factor by an amount recommended by the Governor to implement the wage provisions of the SEIU individual provider bargaining agreement for calendar year 2024.
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> **Paragraph (c)** increases the CFSS framework implementation factor by an amount recommended by the Governor to implement the wage provisions of the SEIU individual provider bargaining agreement for calendar year 2025.
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> **Paragraph (d)** establishes worker retention components which will increase CFSS rates on a sliding scale from zero percent to nearly 11 percent increase for CFSS provided by support workers of varying levels of experience.
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> **Paragraph (e)** specifies how the commissioner will determine the appropriate worker retention component to apply to CFSS rates.

Section 52 **(256B.851, subdivision 6 - Payment rates; rate determination)** specifies how the commissioner must apply worker retention components to CFSS rates.

Section 53 **(256S.2101, subdivision 1 - Phase-in for disability waiver customized living rates)** modifies the phase-in of new rates for customized living provided under the brain injury (BI) and community access for disability inclusion (CADI) waivers. The rates for customized living under these waivers are determined according to the elderly waiver (EW) methodology, not DWRS. Current EW rates are a blend of a recently enacted elderly waiver framework rate and the older commissioner-established rates. The amendments in this section interact with the amendments in article 2 related to elderly waiver rates.

Section 54 **(289A.20, subdivision 4 - Sales and use tax)** is a conforming technical change related to the establishment of the long-term care access fund.

Section 55 **(289A.60, subdivision 15 - Accelerated payment of June sales tax liability; penalty for underpayment)** is a conforming technical change related to the establishment of the long-term care access fund.

Section 56 **(Laws 2021, First Special Session chapter 7, article 17, section 16 - RESEARCH ON ACCESS TO LONG-TERM CARE SERVICES AND FINANCING)** carries forward a 2023 appropriation for an actuarial research study of public and private financing options for long-term services and supports reform to increase access across the state.

Section 57 **(Laws 2021, First Special Session chapter 7, article 17, section 20 - HCBS WORKFORCE DEVELOPMENT GRANT)** cancels a 2023 appropriation and reappropriates the same amount in 2024 for the same purpose – the HCBS workforce development fund. This section also modifies the eligibility criteria for eligible workers under the grant program, excludes money received under this program from the income, assets or personal property of workers who receive it for the purposes of public assistance and medical assistance.

Section 58 **(MEMORANDUMS OF UNDERSTANDING)** ratifies the memorandums of understanding between the state and SEIU.

Section 59 **(SELF-DIRECTED WORKER CONTRACT RATIFICATION)** ratifies the labor agreement between the state and SEIU.

Section 60 **(BUDGET INCREASE FOR CONSUMER-DIRECTED COMMUNITY SUPPORTS)** increases CDCS budgets in both 2024 and 2025 to comply with the labor agreement between the state and SEIU.

Section 61 **(DIRECT CARE SERVICE CORPS PILOT PROJECT)** establishes a sole source grant to Metropolitan Center for Independent Living to continue a pilot program to enlist college students in a direct care service corps.

Section 62 **(EMERGENCY GRANT PROGRAM FOR AUTISM SPECTRUM DISORDER TREATMENT AGENCIES)** establishes a temporary emergency grant program for providers of medical assistance early intensive developmental and behavioral intervention (EIDBI) services to stabilize the providers.

Section 63 **(RATE INCREASE FOR CERTAIN HOME CARE SERVICES)** increases rates for home health agency services and home care nursing.

Section 64 **(SPECIALIZED EQUIPMENT AND SUPPLIES LIMIT INCREASE)** increases to $10,000 the annual limit for specialized equipment and supplies available under the home and community-based service waiver plans, alternative care, and essential community supports.

Section 65 **(STUDY TO EXPAND ACCESS TO SERVICES FOR PEOPLE WITH CO-OCCURRING BEHAVIORAL HEALTH CONDITIONS AND DISABILITIES)** requires the commissioner and stakeholders to study options for expanding services for people with co-occurring behavioral health issues currently available only under the HCBS waivers.

Section 66 **(TEMPORARY GRANT FOR SMALL CUSTOMIZED LIVING PROVIDERS)** establishes a temporary grant program to aid customized living providers if up to $20,000 to transition to community residential setting or integrated community supports licensure.

Section 67 **(DIRECTION TO COMMISSIONER; SUPPORTED-DECISION-MAKING REIMBURSEMENT STUDY)** requires the commissioner in consultation with stakeholders to issue a report detailing available options for receiving federal participation in the provision of supported decision-making to medical assistance enrollees and specifying the provider and service requirements for funding.

Section 68 **(DIRECTION TO COMMISSIONER; APPLICATION OF INTERMEDIATE CARE FACILITIES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES RATE INCREASES)** requires the commissioner to apply the ICF/DD rate increase of $50 per resident per day before applying the rate floor.

Section 69 **(DIRECTION TO COMMISSIONER; SHARED SERVICES)** requires the commissioner to (1) seek federal approval to expand the range of medical assistance waiver services that may be shared and increase the number of individuals who may share a service, and (2) issue guidance regarding implementation of existing shared services.

Section 70 **(DIRECTION TO COMMISSIONER; DISABILITY WAIVER SHARED SERVICES RATES)** requires the commissioner to establish a rate system for shared homemaker and shared chore services.

Section 71 **(DIRECTION TO COMMISSIONER; LIFE-SHARING SERVICES)** requires the commissioner to proactively consult with stakeholders to develop recommendations for establishing life-sharing as a covered home and community-based waiver service.

Section 72 **(DIRECTION TO COMMISSIONER; FOSTER CARE MORATORIUM EXCEPTION APPLICATIONS)** requires the commissioner to expedite the processing of certain adult foster care and community residential setting moratorium exception applications.

Section 73 **(REPEALER)** repeals the respite service rate calculation from statute.

ARTICLE 2 - AGING SERVICES

Section 1 **(256.9754 - LIVE WELL AT HOME GRANTS**) recodifies existing caregiver support and respite care project, core home and community-based services project, and community services grants, and integrates them into the expanded live well at home grants to create new and expanded low-cost high impact services to delay or prevent older adults from having to access more expensive services, and allows for previously successful grantees to apply for additional funding.

Section 2 **(256.9756 CAREGIVER RESPITE SERVICES GRANTS)** establishes a grant program to train respite caregivers on how to care for people with dementia and to provide free or subsidized respite services.

Section 3 **(256B.0913, subdivision 4 - Eligibility for funding for services for nonmedical assistance recipients)** specifies the monthly service limit for individuals participating in consumer-directed community supports (CDCS) under alternative care, eliminating the different treatment of service limits for alternative care recipients who do and do not utilize the consumer directed community support option.

Section 4 **(256B.0913, subdivision 5 - Services covered under alternative care)** makes a conforming change related to the monthly service limits for individuals participating in CDCS under alternative care.

Section 5 **(256B.0917, subdivision 1b – Definitions)** makes conforming changes related to the recodification of the Live Well at Home grants.

Section 6 **(256B.0922, subdivision 1 - Essential community supports)** increases from $400 to $600 the monthly service limit for essential community supports and expands the available services to include respite care and adult companion services.

Section 7 **(256B.434, Subdivision 4k - Property rate increase for certain nursing facilities)** increase the property rates for three nursing facilities that had moratorium projects approved shortly prior to the effective date of the chapter 256R fair rental value property rates.

Section 8 **(256M.42 ADULT PROTECTION GRANT ALLOCATIONS)** modifies the allocation formula for state appropriations to counties and Tribes for vulnerable adult protection services and modifies the requirements imposed on counties that receive the funding.

> **Subdivision 1** requires an initial allocation to Tribal Nations that establish vulnerable adult protection programs and a minimal award to counties as determined by the commissioner.
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> **Subdivision 3** clarifies the permitted uses of funding by citing the counties' role under the vulnerable adults act.
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> **Subdivision 4** modifies the requirement that counties and Tribes not use the state allocation for vulnerable adult protection to supplant the counties' and Tribes' 2023 level of spending, but this requirement expires on July 1, 2027, at which point counties and Tribes may begin to use state funding to supplant the 2023 levels of spending.
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> **Subdivision 5** requires the commissioner to develop and implement vulnerable adult protection performance measures to which counties will be required to meet or implement a performance improvement plan developed by the commissioner.
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> **Subdivision 6** requires Tribes to establish vulnerable adult protection measures and standards and report to the commissioner on the outcomes of those measures.

Section 9 **(256R.02, subdivision 19 - External fixed costs)** is a conforming change related to the Chisholm nursing facility temporary rate increase.

Section 10 **(256R.17, subdivision 2 - Case mix indices)** modifies a cross-reference related case-mix classification to refer to the existing Minnesota Statute giving the Commissioner of Health authority to establish case mix classifications.

Section 11 **(256R.25 EXTERNAL FIXED COSTS PAYMENT RATE)** makes two conforming changes, one related to the Chisholm nursing facility temporary rate increase and one related to the modified critical access nursing facility rate adjustment.

Section 12 **(256R.47 RATE ADJUSTMENT FOR CRITICAL ACCESS NURSING FACILITIES)** establishes a new version of currently obsolete rate adjustment for certain critical access nursing facilities by authorizing the commissioner to enter into a memorandum of understanding with nursing facilities that the commissioner determines require temporary supplemental payments to maintain access to nursing home services.

Section 13 **(256R.481, Subdivision 1 – Nursing facility in Chisholm; temporary rate add-on)** provides a temporary rate add-on for a facility in Chisholm.

Section 14 **(256R.53, subdivision 3 - Nursing facility in Fergus Falls)** requires the commissioner to determine the property rate of a facility in Fergus Falls according to the fair rental value property rate calculation under this chapter.

Section 15 **(256R.53, subdivision 4 - Nursing facility in Red Wing)** requires the commissioner to determine the operating payment rate for a facility in Red Wing without application of the facility's total care-related limit or limiting its other operating cost per day.

Section 16 **(256S.15, subdivision 2 - Foster care limit)** makes a conforming change related to the CDCS parity proposal.

Section 17 **(256S.18, subdivision 3a - Monthly case mix budget caps for consumer-directed community)** specifies the monthly budget limits for individuals participating in CDCS under elderly waiver, eliminating the different treatment of budget caps for elderly waiver recipients who do and do not utilize the consumer directed community support option.

Section 18 **(256S.19, subdivision 3 - Calculation of monthly conversion budget caps)** makes conforming changes related to the CDCS parity proposal.

Section 19 **(256S.203, subdivision 1 - Capitation payments)** makes conforming changes related to the assisted living facility closure payment proposal.

Section 20 **(256S.203, subdivision 2 - Reimbursement rates)** makes conforming changes related to the assisted living facility closure payment proposal.

Section 21 **(256S.205, subdivision 3 - Rate adjustment eligibility criteria)** modifies the eligibility criteria for designation as a disproportionate share assisted living facility.

Section 22 **(256S.205, subdivision 5 - Rate adjustment; rate floor)** increases the elderly waiver rate floor from $119 to $139 for designated disproportionate share assisted living facilities.

Section 23 **(256S.206 ASSISTED LIVING FACILITY CLOSURE PAYMENTS)** establishes a special payment program to supplement funding for assisted living facilities that are in the process of closing.

Sections 24 to 46 modify the rate setting framework for elderly waiver services, alternative care, essential community services, and BI and CADI customized living services.

Section 24 **(256S.21 RATE SETTING; APPLICATION; EVALUATION)** requires the commissioner every two years to evaluate the inputs of the elderly waiver rate framework and submit a report to the legislature on the results of this evaluations; requires providers at least once

every five years to submit cost data to the commissioner to aid in the evaluation of the elements of the framework.

Section 25 **(256S.2101, subdivision 2 - Phase-in for elderly waiver rates)** modifies the "phase-in" factor for the rates calculated under the elderly waiver framework.

Section 26 **(256S.2101, subdivision 2a - Service rates exempt from phase-in)** exempts homemaker services from the phase-in, thereby paying rates equal to 100% of the framework rate.

Section 27 **(256S.2101, subdivision 3 - Spending requirements)** requires elderly waiver providers to use at least 80 percent of the marginal increase in revenue resulting from rate increases to increase the providers compensation-related costs and to develop and make available to employees a distribution plan for the additional revenue.

Section 28 **(256S.211, subdivision 3 - Updating services rates)** directs the commissioner to recalculate most rates every two years after updating the framework elements as required by law.

Section 29 **(256S.211, subdivision 4 - Updating home-delivered meals rate)** requires the commissioner to update the rates for home delivered meals every year.

Section 30 **(256S.212 RATE SETTING; BASE WAGE INDEX)** makes various changes to the base wage index for most elderly waiver services. The base wage index provides one of the inputs into the framework for calculating the rates.

Section 31 **(256S.213 RATE SETTING; FACTORS)** modifies and establishes various inputs of the framework that are related to overhead, program costs and supervision of unlicensed staff.

Section 32 **(256S.214 RATE SETTING; ADJUSTED BASE WAGE)** modifies an initial calculation in the framework, the adjusted base wage, which is subsequently used as an input in further calculations.

Section 33 **(256S.215, subdivision 2 - Home management and support services component rate)** specifies the calculation of a service rate.

Section 34 **(256S.215, subdivision 3 - Home care aide services component rate)** specifies the calculation of a service rate.

Section 35 **(256S.215, subdivision 4 - Home health aide services component rate)** specifies the calculation of a service rate.

Section 36 **(256S.215, subdivision 7 - Chore services rate)** specifies the calculation of a service rate.

Section 37 **(256S.215, subdivision 8 - Companion services rate)** specifies the calculation of a service rate.

Section 38 **(256S.215, subdivision 9 - Homemaker assistance with personal care rate)** specifies the calculation of a service rate.

Section 39 **(256S.215, subdivision 10 - Homemaker cleaning rate)** specifies the calculation of a service rate.

Section 40 **(256S.215, subdivision 11 - Homemaker home management rate)** specifies the calculation of a service rate.

Section 41 **(256S.215, subdivision 12 - In-home respite care services rates)** specifies the calculation of a service rate.

Section 42 **(256S.215, subdivision 13 - Out-of-home respite care services rates)** specifies the calculation of a service rate.

Section 43 **(256S.215, subdivision 14 - Individual community living support rate)** specifies the calculation of a service rate.

Section 44 **(256S.215, subdivision 15 - Home-delivered meals rate)** specifies the calculation of a service rate.

Section 45 **(256S.215, subdivision 16 - Adult day services rate)** specifies the calculation of a service rate.

Section 46 **(256S.215, subdivision 17 - Adult day services bath rate)** specifies the calculation of a service rate.

Section 47 **(DIRECTION TO COMMISSIONER; FUTURE PACE IMPLEMENTATION FUNDING)** directs the commissioner to develop recommendations for a funding mechanism for the Program for all-inclusive care for the elderly (PACE).

Section 48 **(DIRECTION TO COMMISSIONER OF HUMAN SERVICES; CAREGIVER RESPITE SERVICES GRANTS)** authorizes the commissioner to begin implementing a newly established grant program to allow for a more seamless transition from an existing temporary grant program to a newly established permanent program.

Section 49 **(NURSING FACILITY FUNDING)** is placeholder language creating a general fund pool which the commissioner is to use to pay temporary per resident per day rate add-ons to nursing facility payment rates, and establishes a spending requirement for facilities that they use 80 percent of the revenue from the add-on to increase compensation-related costs.

Section 50 **INCREASED MEDICAL ASSISTANCE INCOME LIMIT FOR OLDER ADULTS AND PERSONS WITH DISABILITIES)** is placeholder language for an increase in the income limit for medical assistance for older adults and people with disabilities that is worth $5,000,000 in biennium ending June 30, 2027.

Section 51 **(RETURN FORECASTED FUNDS TO NURSING FACILITIES)** requires the commissioner to determine the amount of underspending reflected in the February 2023 forecast attributable to underspending on nursing facilities and distribute that amount to nursing facilities in the form of equal per resident day add-ons to nursing facility rates.

Section 52 **(SENIOR HOUSING-RELATED STRESS AND MENTAL HEALTH PREVENTION)** prohibits a particular property owner from raising rents more than 3 percent annually, requires the property owner to retroactively rebate rent increases after January 1, 2022, in excess of three percent, prohibits the property owner for charging residents for repairs in excess of the actual costs of repair, and requires the property owner to provide each resident with free underground parking for at least one vehicle.

Section 53 **(REVISOR INSTRUCTION)** is a conforming change related to the Live Well at Home grant proposal.

Section 54 **(REPEALER)**

Paragraph (a) is a conforming change related to the Live Well at Home grant proposal.

Paragraph (b) is a conforming change related to the CDCS budget parity proposal.

ARTICLE 3- HEALTH CARE

Section 1 **(252.27, subdivision 2a - Contribution amount)** eliminates the requirement that parents of children with disabilities or a chronic disease who access medical assistance through the Tax Equity and Fiscal Responsibility Act (TEFRA) option do not need to contribute to the cost of publicly funded medical care. The contribution to care is often referred to as "TEFRA fees."

Section 2 **(256B.04, subdivision 26 - Notice of employed persons with disabilities program)** requires the commissioner to ensure that all medical assistances enrollees who indicate they have a disability be informed annually about the medical assistance for employed people with disabilities program.

Section 3 **(256B.056, subdivision 3 - Asset limitations for certain individuals)** strikes language disapproved by CMS regarding the disregard of a spouse's income when an enrollee transitions from MA-EPD to MA as a person aged 65 or older or who is blind or disabled (MA-ABD), and makes a conforming change related to the elimination of asset limits for MA-EPD enrollees.

Section 4 **(256B.057, subdivision 9 - Employed persons with disabilities)** modifies the MA-EPD program by (1) eliminating the asset limit, (2) eliminating premiums, (3) authorizes DHS to correct and refund MA-EPD premiums billed and collected in error, (4) authorizes medical assistance to pay the Part A and Part B Medicare premiums for MA-EPD enrollees who are also eligible for Medicare, and (5) allows individuals who were previously enrolled in MA-EPD but were disenrolled due to nonpayment of premiums to reenroll without paying past due premiums.

Section 5 **(256B.0625, subdivision 17 - Transportation costs)** increases rates for nonemergency medical transportation.

> **Paragraph (m)** increases the base rate and milage rates for unassisted transport, assisted transport and ramp- or lift-equipped transport by approximately 17.5%.
>
> **Paragraph (r)** establishes a monthly fuel cost adjustor for NEMT reimbursement rates, pegged to $3.00 per gallon.

Section 6 **(256B.0625, subdivision 17a - Payment for ambulance services)** establishes a monthly fuel cost adjustor for ambulance services reimbursement rates, pegged to $3.00 per gallon.

Section 7 **(256B.0625, subdivision 22 - Hospice care)** is a clarifying change related to the residential hospice and hospice respite for children proposal.

Section 8 **(256B.0625, subdivision 22a - Residential hospice facility; hospice respite and end-of-life care for children)** establishes a new covered medical assistance benefit for hospice respite and end-of-life care for children when provided in a licensed residential hospice facility and specifies a reimbursement rate to be paid with state-only funds if federal participation is not available.

Section 9 **(256B.073, subdivision 3 – Requirements)** modifies provisions related to the electronic visit verification system.

Paragraph (e) requires the commissioner to publish on the Department's website the name and contact information of the vendor of the state-selected electronic visit verification system.

Section 10 **(256B.073, subdivision 5 – Vendor requirements)** requires the vendor of the state-selected electronic visit verification system or any of the vendor's affiliates to disclose to prospective clients certain information about the vendor's products or its affiliates' products and to refrain from using non-public information received through its contract with the state to market its or its affiliates' fee-based products.

Section 11 **(256B.14, subdivision 2 - Actions to obtain payment)** clarifies that the commissioner's authority to require responsible relatives to contribute to the cost of care of medical assistance recipients does not apply to the parents of children accessing medical assistance thought the TEFRA option.

Section 12 **(256B.766 REIMBURSEMENT FOR BASIC CARE SERVICES)** establishes a new medical assistance reimbursement calculation for enteral nutrition and supplies.

ARTICLE 4 – BEHAVIORAL HEALTH

Section 1 **(4.046, subdivision 6 - Office of addiction and recovery; director)** modifies the roll of the addiction and recovery director by establishing an Office of Addiction and Recovery at the Department of Management and Budget and makes the director the administrator of the office.

Section 2 **(4.046, subdivision 7 - Staff and administrative support)** transfers the administrative role of the director of addiction and recovery and the office from the commissioner of human services to the commissioner of management and budget.

Section 3 **(4.046, subdivision 8 - Division of Youth Substance Use and Addiction Recovery)** creates within the newly created Office of Addiction and Recovery a division of youth substance use and addiction recovery.

Section 4 **(245G.01, subdivision 4a - American Society of Addiction Medicine criteria or ASAM criteria)** adds a definition of "American Society of Addiction Medicine criteria" to the substance use disorder treatment facility licensing chapter of law.

Section 5 **(245G.01, subdivision 20c - Protective factors)** adds a definition of "protective factors" to the substance use disorder treatment facility licensing chapter of law.

Section 6 **(245G.02, subdivision 2 - Exemption from license requirement)** exempts a license holder providing the initial set of substance use disorder services to an individual referred to a licensed nonresidential substance use disorder treatment program after a positive screen for alcohol or substance misuse from the requirements to create an individual treatment plan.

Section 7 **(245G.05, subdivision 1 - Comprehensive assessment)** modifies the number of days to complete a comprehensive assessment from three days to five days, removes information to include in the assessment, and requires an alcohol and drug counselor to sign and date the comprehensive assessment review and update.

Section 8 **(245G.05, subdivision 3 - Comprehensive assessment requirements)** requires comprehensive assessments include some of the same information required for a standard diagnostic assessment under the mental health uniform service standards; specifies that a comprehensive assessment must include an SUD diagnosis, a determination of whether someone screens positive for co-occurring mental health disorders, and a recommendation for ASAM level of care; and requires that individuals are provided information on opioid use disorder, if applicable.

Section 9 **(245G.06, subdivision 1 – General)** clarifies when individual treatment plans must be completed by an alcohol and drug counselor.

Section 10 **(245G.06, Subdivision1a - Individual treatment plan contents and process)** specifies requirements for individual treatment plans.

Section 11 **(245G.06, subdivision 3 - Treatment plan review)** removes a requirement that treatment plan reviews occur weekly (but see subdivision 3a) and clarifies what must be included in each review.

Section 12 **(245G.06, subdivision 3a - Frequency of treatment plan reviews)** replaces the prior weekly treatment plan review period with the following: every 14 days for residential programs; every 14 days for nonresidential programs, unless the treatment plan indicates services will be less frequent; every 30 days for people in a nonresidential program that need less than 20 hours of skilled treatment per week; and every 90 days for people in a nonresidential program that need less than 5 hours of skilled treatment services pers week.

Section 13 **(245G.06, subdivision 4 – Service discharge summary)** modifies cross-references related to risk assessments for service discharge summaries.

Section 14 **(245G.09, subdivision 3 – Contents)** is a conforming change related to the repeal of the assessment summary requirements and corrects a cross-reference.

Section 15 **(245G.22, subdivision 15 - Nonmedication treatment services; documentation)** modifies nonmedication treatment documentation requirements for opioid treatment programs.

Section 16 **(245I.10, subdivision 6 - Standard diagnostic assessment; required elements)** clarifies that an alcohol and drug counselor may gather certain required information and document it in a comprehensive assessment for SUD services.

Section 17 **(254B.01, Subdivision 2a - American Society of Addiction Medicine criteria or ASAM criteria)** adds a definition of "American Society of Addiction Medicine criteria" to the substance use disorder treatment services chapter of law.

Section 18 **(254B.01, subdivision 8 - Recovery community organization)** makes a technical change to the definition of recovery community organization.

Section 19 **(254B.01, Subdivision 9 - Skilled treatment services)** adds a definition of "skilled treatment services" to the substance use disorder treatment services chapter of law.

Section 20 (**254B.01, subdivision 11 - Comprehensive assessment)** adds a definition of "comprehensive assessment" to the substance use disorder treatment services chapter of law.

Section 21 **(254B.04, subdivision 4 – Assessment criteria and risk descriptions)** adds language for determining the substance use disorder treatment level of care.

Section 22 **(254B.05, subdivision 1 - Eligible vendors)** specifies that counties, recovery community organizations previously approved by the commissioner of human services, and newly certified recovery community organizations are eligible vendors of peer recovery support services.

Section 23 **(254B.05, subdivision 5 - Rate requirements)** modifies the descriptions of services and service enhancements eligible for payments by replacing existing descriptions with ASAM levels of care for outpatient treatment services, removing high medium and low intensity enhancements for residential treatment services, and removing enhancements for opioid treatment program services; removes a limit on provided services without prior authorization; and clarifies the timelines for payments to providers.

Section 24 **(254B.19 AMERICAN SOCIETY OF ADDICTION MEDICINE STANDARDS OF CARE)** codifies ASAM criteria for SUD programs; requires patient referral arrangement agreement, evidence-based practices, and program outreach plans.

Section 25 **(254B.191 EVIDENCE-BASED TRAINING)** requires the commissioner to establish on-going training opportunities for SUD treatment providers related to ASAM criteria and best practices relative to SUD treatment services.

Section 26 **(254B.20 DEFINITIONS)** defines terms for the purposes of establishing the Board of Recovery Services.

Section 27 **(254B.21 MINNESOTA BOARD OF RECOVERY SERVICES)** creates the Board of Recovery Services and specifies its officers and membership terms.

Section 28 **(254B.22 DUTIES OF THE BOARD)** specifies the duties of the board with respect to credentialing recovery organizations.

Section 29 **(254B.23 REQUIREMENTS FOR CREDENTIALING)** specifies the criteria for a recovery organization to the credentialed by the board.

Section 30 **(254B.24 APPEAL AND HEARING)** provides for contested case hearings for appeals of credentialing decisions.

Section 31 **(254B.30 PROJECT ECHO GRANTS)** codifies a new on-going Project ECHO grant.

Section 32 **(256B.0759, subdivision 2 - Provider participation)** requires nonresidential and residential substance use disorder programs to enroll in the medical assistance substance use disorder demonstration project by January 1, 2025, to continue to receive medical assistance reimbursement.

Section 33 **(256I.05, subdivision 1s - Supplemental rate; Douglas County)** authorizes Douglas County to negotiate a supplementary rate not to exceed $750 for a housing support provider in that county.

Section 34 **(256I.05, subdivision 1t - Supplemental rate; Crow Wing County)** authorizes Crow Wing County to negotiate a supplementary rate not to exceed $750 for a housing support provider in that county.

Section 35 **(325F.725 SOBER HOME TITLE PROTECTION)** creates a new consumer protection provision prohibiting the use of "sober home" unless the user of term meets certain requirements, including following the sober living guidelines published by the federal Substance Abuse and Mental Health Services Administration.

Section 36 **(CULTURALLY RESPONSIVE RECOVERY COMMUNITY GRANTS)** establishes a new temporary grant program for prospective or new recovery community organizations serving or intending to serve culturally specific or population-specific recovery communities.

Section 37 **(WITHDRAWAL MANAGEMENT START-UP AND CAPACITY-BUILDING GRANTS)** establishes a new temporary grant program for prospective or new withdrawal management programs.

Section 38 **FAMILY TREATMENT START-UP AND CAPACITY-BUILDING GRANTS)** establishes a new temporary grant program for prospective or new substance use disorder treatment programs that serve parents with their children.

Section 39 **MEDICAL ASSISTANCE BEHAVIORAL HEALTH SYSTEM TRANSFORMATION STUDY)** establishes a study on traditional healing, behavioral health services in correctional facilities, and contingency management.

Section 40 **(REVISED PAYMENT METHODOLOGY FOR OPIOID TREATMENT PROGRAMS)** requires the commissioner to revise the payment methodology for substance use services with medications for opioid use disorder.

Section 41 **(REVISOR INSTRUCTION)** requires the revisor of statutes to renumber section 245G.01, subdivision 20b, as section 245G.01, subdivision 20d, and make any necessary changes to cross references.

Section 42 **(REPEALER)**

> **Paragraph (a)** repeals the requirements for an assessment summary following initiation of SUD services; and repeals base payment rate for the medium intensity residential SUD treatment programs.
>
> **Paragraph (b)** repeals requirements revenue generated by certain state-operated SUD treatment programs be credited to the behavioral health fund.

ARTICLE 5 - SUBSTANCE USE DISORDER

Section 1 **(16A.151, subdivision 2 – Exception)** corrects a drafting error related to the authority of the opiate epidemic response advisory council to award grants from deposits to the opioid settlement account. *This language is also in the Revisor's bill, H.F. No. 1581, which passed both bodies on 4/12/2023*.

Section 2 **(121A.224 OPIATE ANTAGONISTS)** requires schools to maintain two doses of nasal naloxone on site, and requires the commissioner of health to develop a naloxone administration training video.

Section 3 **(151.065, subdivision 7 - Deposit of fees)** is a conforming change related to the sunset of the opioid manufacturers' licensing fee reduction and opioid product registration fee sunset, which are not included in the bill. *This section was included as a result of a drafting error*.

Section 4 **(241.021, subdivision 1 - Correctional facilities; inspection; licensing)** requires the minimum standards for licensed correctional facilities to include a requirement that facilities have procedures for handling opioid overdose emergencies.

Section 5 **(241.31, subdivision 5 - Minimum standards)** requires community corrections programs to maintain two doses of nasal naloxone on site.

Section 6 **(241.415 RELEASE PLANS; SUBSTANCE ABUSE)** requires the commissioner of corrections to ensure that individuals with known or stated opioid use disorder are provided with emergency opiate antagonist rescue kits upon release from prison.

Section 7 **(245.89 PUBLIC AWARENESS CAMPAIGN)** requires the commissioner of human services to establish a public awareness campaign to prevent substance use disorder, reduce stigma, and ensure people know how to access treatment, recovery, and harm reduction services.

Section 8 **(245.891 OVERDOSE SURGE ALERT SYSTEM)** requires the commissioner of human services to establish a statewide overdose surge text message alert system.

Section 9 **(245.892 HARM REDUCTION AND CULTURALLY SPECIFIC GRANTS)** establishes four grant programs for Tribal nations and culturally-specific organizations to address the opioid epidemic: harm-reduction grants; organizational capacity grants; culturally-specific services grants; and training grant funds.

Section 10 **(245G.08, subdivision 3 - Emergency overdose treatment)** requires licensed substance use disorder treatment programs to maintain a supply of opiate antagonists.

Section 11 **(256.043, subdivision 3 - Appropriations from registration and license fee account)** provides statutory appropriations for ongoing funding of the overdose prevention grant; the traditional healing grant; a Project ECHO grant; and administrative funding for OERAC.

Section 12 **(256.043, subdivision 3a - Appropriations from settlement account)** extends to three years the availability of settlement account funding for (1) Tribal social service agency initiative projects to provide child protection services to children and families who are affected by addiction and (2) grants awarded by the Opiate Epidemic Response Advisory Council.

Section 13 **(256I.052 OPIATE ANTAGONISTS)** requires housing support providers to maintain a supply of opiate antagonists.

Section 14 **(Laws 2019, chapter 63, article 3, section 1, as amended by Laws 2020, chapter 115, article 3, section 35, and Laws 2022, chapter 53, section 12 – APPROPRIATIONS)** cancels temporary funding for administrative funding for OERAC, opioid overdose prevention grants, and traditional healing grants.

Section 15 **(OPIATE ANTAGONIST TRAINING GRANTS)** requires the commissioner of human services to establish grants to support the training of staff in correctional facilities, housing support programs, and SUD treatment programs on the symptoms of opioid overdose and administration of opiate antagonists.

ARTICLE 6 - OPIOID PRESCRIBING IMPROVEMENT PROGRAM

Section 1 **(256B.0638, subdivision 2 – Definitions)** makes technical changes to the definition of opioid prescriber for the purposes of the opioid prescribing improvement program.

Section 2 **(256B.0638, subdivision 4 - Program components)** modifies the duties of the opioid prescribing working group by removing reference to the opioid disenrollment standards, and exempts opioids prescribed to palliative care patients from the opioid prescribing protocols.

Section 3 **(256B.0638, subdivision 5 - Program implementation)** removes a requirement that the commissioner take certain steps if and opioid prescriber's prescribing practices do not improve after a year following notification by the commissioner that the prescriber is in violation of the prescribing standards.

Section 4 **(REPEALER)** repeals the opioid prescribing improvement program effective June 30, 2024.

ARTICLE 7 – DEPARTMENT OF DIRECT CARE AND TREATMENT

Section 1 **(246.54, subdivision 1a - Anoka-Metro Regional Treatment Center)** repeals the county share for the cost of care provided at Anoka-Metro Regional Treatment Center for a person who is committed has a mental illness and is dangerous to the public, does not require the level of care provided at AMRTC, and who is awaiting transfer to another state-operated facility or program.

Section 2 **(246.54, subdivision 1b- Community behavioral health hospitals)** reduces to 50 percent the county share for the cost of care provided at state-operated community-based behavioral health hospitals for a person who is committed has a mental illness and is dangerous to the public, does not require the level of care provided at a community behavioral health hospital, and who is awaiting transfer to another state-operated facility or program.