

1.1 **Senator Wiklund from the Committee on Health and Human Services, to which**  
 1.2 **was referred**

1.3 **S.F. No. 2995:** A bill for an act relating to health; appropriating money for the Department  
 1.4 of Health, health-related boards, Council on Disability, ombudsman for mental health and  
 1.5 disabilities, ombudsperson for families, ombudsperson for American Indian families, Office  
 1.6 of the Foster Youth Ombudsperson, MNsure, Rare Disease Advisory Council, and the  
 1.7 Department of Revenue; establishing the Health Care Spending Growth Target Commission  
 1.8 and Health Care Spending Technical Advisory Council; identifying ways to reduce spending  
 1.9 by health care organizations and group purchasers and low-value care; assessing alternative  
 1.10 payment methods in rural health care; assessing feasibility for a health provider directory;  
 1.11 requiring compliance with the No Surprises Act in billing; modifying prescription drug  
 1.12 price provisions and continuity of care provisions; compiling health encounter data;  
 1.13 establishing certain advisory councils, committees, and grant programs; modifying lead  
 1.14 testing in schools and remediation requirements; modifying lead service line requirements;  
 1.15 requiring lead testing in drinking water in child care settings; establishing Minnesota One  
 1.16 Health Microbial Stewardship Collaborative, a comprehensive drug overdose and morbidity  
 1.17 program, a Sentinel Event Review Committee, law enforcement-involved deadly force  
 1.18 encounters advisory committee, and cultural communications program; setting certain fees;  
 1.19 providing for clinical health care training; establishing a climate resiliency program; changing  
 1.20 assisted living provisions; establishing a program to monitor long COVID, a 988 suicide  
 1.21 crisis lifeline, school-based health centers, Healthy Beginnings, Healthy Families Act, and  
 1.22 Comprehensive and Collaborative Resource and Referral System for Children; funding for  
 1.23 community health boards; developing COVID-19 pandemic delayed preventive care;  
 1.24 changing certain health board fees; establishing easy enrollment health insurance outreach  
 1.25 program; setting certain fees; requiring reports; amending Minnesota Statutes 2022, sections  
 1.26 12A.08, subdivision 3; 62J.84, subdivisions 2, 3, 4, 6, 7, 8, 9, by adding subdivisions;  
 1.27 62K.15; 62Q.01, by adding a subdivision; 62Q.021, by adding a subdivision; 62Q.55,  
 1.28 subdivision 5; 62Q.556; 62Q.56, subdivision 2; 62Q.73, subdivisions 1, 7; 62U.04,  
 1.29 subdivisions 4, 5, 6; 121A.335, subdivisions 3, 5, by adding a subdivision; 144.122;  
 1.30 144.1505; 144.226, subdivisions 3, 4; 144.383; 144G.16, subdivision 7; 144G.18; 144G.57,  
 1.31 subdivision 8; 145.925; 145A.131, subdivisions 1, 5; 145A.14, by adding a subdivision;  
 1.32 148B.392, subdivision 2; 151.065, subdivisions 1, 2, 3, 4, 6; 270B.14, by adding a  
 1.33 subdivision; 403.161; 403.162; Laws 2022, chapter 99, article 1, section 46; article 3, section  
 1.34 9; proposing coding for new law in Minnesota Statutes, chapters 62J; 62V; 115; 144; 145;  
 1.35 148; 290; repealing Minnesota Statutes 2022, sections 62J.84, subdivision 5; 62U.10,  
 1.36 subdivisions 6, 7, 8; 145.4235; 145.4241; 145.4242; 145.4243; 145.4244; 145.4245;  
 1.37 145.4246; 145.4247; 145.4248; 145.4249; 145.925, subdivisions 1a, 3, 4, 7, 8.

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

1.39 Delete everything after the enacting clause and insert:

1.40 **"ARTICLE 1**  
 1.41 **HEALTH CARE**

1.42 Section 1. Minnesota Statutes 2022, section 256.01, is amended by adding a subdivision  
 1.43 to read:

1.44 Subd. 43. **Education on contraceptive options.** The commissioner shall require hospitals  
 1.45 and primary care providers serving medical assistance and MinnesotaCare enrollees to  
 1.46 develop and implement protocols to provide enrollees, when appropriate, with comprehensive  
 1.47 and scientifically accurate information on the full range of contraceptive options, in a

2.1 medically ethical, culturally competent, and noncoercive manner. The information provided  
2.2 must be designed to assist enrollees in identifying the contraceptive method that best meets  
2.3 their needs and the needs of their families. The protocol must specify the enrollee categories  
2.4 to which this requirement will be applied, the process to be used, and the information and  
2.5 resources to be provided. Hospitals and providers must make this protocol available to the  
2.6 commissioner upon request.

2.7 Sec. 2. Minnesota Statutes 2022, section 256.0471, subdivision 1, is amended to read:

2.8 Subdivision 1. **Qualifying overpayment.** Any overpayment for assistance granted under  
2.9 ~~chapter 119B~~, the MFIP program formerly codified under sections 256.031 to 256.0361,  
2.10 and the AFDC program formerly codified under sections 256.72 to 256.871; for assistance  
2.11 granted under chapters 256B for state-funded medical assistance 119B, 256D, 256I, 256J,  
2.12 and 256K, and 256L; for assistance granted pursuant to section 256.045, subdivision 10,  
2.13 for state-funded medical assistance and state-funded MinnesotaCare under chapters 256B  
2.14 and 256L; and for assistance granted under the Supplemental Nutrition Assistance Program  
2.15 (SNAP), except agency error claims, become a judgment by operation of law 90 days after  
2.16 the notice of overpayment is personally served upon the recipient in a manner that is sufficient  
2.17 under rule 4.03(a) of the Rules of Civil Procedure for district courts, or by certified mail,  
2.18 return receipt requested. This judgment shall be entitled to full faith and credit in this and  
2.19 any other state.

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

2.21 Sec. 3. Minnesota Statutes 2022, section 256.969, subdivision 2b, is amended to read:

2.22 Subd. 2b. **Hospital payment rates.** (a) For discharges occurring on or after November  
2.23 1, 2014, hospital inpatient services for hospitals located in Minnesota shall be paid according  
2.24 to the following:

2.25 (1) critical access hospitals as defined by Medicare shall be paid using a cost-based  
2.26 methodology;

2.27 (2) long-term hospitals as defined by Medicare shall be paid on a per diem methodology  
2.28 under subdivision 25;

2.29 (3) rehabilitation hospitals or units of hospitals that are recognized as rehabilitation  
2.30 distinct parts as defined by Medicare shall be paid according to the methodology under  
2.31 subdivision 12; and

2.32 (4) all other hospitals shall be paid on a diagnosis-related group (DRG) methodology.

3.1 (b) For the period beginning January 1, 2011, through October 31, 2014, rates shall not  
3.2 be rebased, except that a Minnesota long-term hospital shall be rebased effective January  
3.3 1, 2011, based on its most recent Medicare cost report ending on or before September 1,  
3.4 2008, with the provisions under subdivisions 9 and 23, based on the rates in effect on  
3.5 December 31, 2010. For rate setting periods after November 1, 2014, in which the base  
3.6 years are updated, a Minnesota long-term hospital's base year shall remain within the same  
3.7 period as other hospitals.

3.8 (c) Effective for discharges occurring on and after November 1, 2014, payment rates  
3.9 for hospital inpatient services provided by hospitals located in Minnesota or the local trade  
3.10 area, except for the hospitals paid under the methodologies described in paragraph (a),  
3.11 clauses (2) and (3), shall be rebased, incorporating cost and payment methodologies in a  
3.12 manner similar to Medicare. The base year or years for the rates effective November 1,  
3.13 2014, shall be calendar year 2012. The rebasing under this paragraph shall be budget neutral,  
3.14 ensuring that the total aggregate payments under the rebased system are equal to the total  
3.15 aggregate payments that were made for the same number and types of services in the base  
3.16 year. Separate budget neutrality calculations shall be determined for payments made to  
3.17 critical access hospitals and payments made to hospitals paid under the DRG system. Only  
3.18 the rate increases or decreases under subdivision 3a or 3c that applied to the hospitals being  
3.19 rebased during the entire base period shall be incorporated into the budget neutrality  
3.20 calculation.

3.21 (d) For discharges occurring on or after November 1, 2014, through the next rebasing  
3.22 that occurs, the rebased rates under paragraph (c) that apply to hospitals under paragraph  
3.23 (a), clause (4), shall include adjustments to the projected rates that result in no greater than  
3.24 a five percent increase or decrease from the base year payments for any hospital. Any  
3.25 adjustments to the rates made by the commissioner under this paragraph and paragraph (e)  
3.26 shall maintain budget neutrality as described in paragraph (c).

3.27 (e) For discharges occurring on or after November 1, 2014, the commissioner may make  
3.28 additional adjustments to the rebased rates, and when evaluating whether additional  
3.29 adjustments should be made, the commissioner shall consider the impact of the rates on the  
3.30 following:

3.31 (1) pediatric services;

3.32 (2) behavioral health services;

3.33 (3) trauma services as defined by the National Uniform Billing Committee;

3.34 (4) transplant services;

4.1 (5) obstetric services, newborn services, and behavioral health services provided by  
4.2 hospitals outside the seven-county metropolitan area;

4.3 (6) outlier admissions;

4.4 (7) low-volume providers; and

4.5 (8) services provided by small rural hospitals that are not critical access hospitals.

4.6 (f) Hospital payment rates established under paragraph (c) must incorporate the following:

4.7 (1) for hospitals paid under the DRG methodology, the base year payment rate per  
4.8 admission is standardized by the applicable Medicare wage index and adjusted by the  
4.9 hospital's disproportionate population adjustment;

4.10 (2) for critical access hospitals, payment rates for discharges between November 1, 2014,  
4.11 and June 30, 2015, shall be set to the same rate of payment that applied for discharges on  
4.12 October 31, 2014;

4.13 (3) the cost and charge data used to establish hospital payment rates must only reflect  
4.14 inpatient services covered by medical assistance; and

4.15 (4) in determining hospital payment rates for discharges occurring on or after the rate  
4.16 year beginning January 1, 2011, through December 31, 2012, the hospital payment rate per  
4.17 discharge shall be based on the cost-finding methods and allowable costs of the Medicare  
4.18 program in effect during the base year or years. In determining hospital payment rates for  
4.19 discharges in subsequent base years, the per discharge rates shall be based on the cost-finding  
4.20 methods and allowable costs of the Medicare program in effect during the base year or  
4.21 years.

4.22 (g) The commissioner shall validate the rates effective November 1, 2014, by applying  
4.23 the rates established under paragraph (c), and any adjustments made to the rates under  
4.24 paragraph (d) or (e), to hospital claims paid in calendar year 2013 to determine whether the  
4.25 total aggregate payments for the same number and types of services under the rebased rates  
4.26 are equal to the total aggregate payments made during calendar year 2013.

4.27 (h) Effective for discharges occurring on or after July 1, 2017, and every two years  
4.28 thereafter, payment rates under this section shall be rebased to reflect only those changes  
4.29 in hospital costs between the existing base year or years and the next base year or years. In  
4.30 any year that inpatient claims volume falls below the threshold required to ensure a  
4.31 statistically valid sample of claims, the commissioner may combine claims data from two  
4.32 consecutive years to serve as the base year. Years in which inpatient claims volume is  
4.33 reduced or altered due to a pandemic or other public health emergency shall not be used as

5.1 a base year or part of a base year if the base year includes more than one year. Changes in  
5.2 costs between base years shall be measured using the lower of the hospital cost index defined  
5.3 in subdivision 1, paragraph (a), or the percentage change in the case mix adjusted cost per  
5.4 claim. The commissioner shall establish the base year for each rebasing period considering  
5.5 the most recent year or years for which filed Medicare cost reports are available. The  
5.6 estimated change in the average payment per hospital discharge resulting from a scheduled  
5.7 rebasing must be calculated and made available to the legislature by January 15 of each  
5.8 year in which rebasing is scheduled to occur, and must include by hospital the differential  
5.9 in payment rates compared to the individual hospital's costs.

5.10 (i) Effective for discharges occurring on or after July 1, 2015, inpatient payment rates  
5.11 for critical access hospitals located in Minnesota or the local trade area shall be determined  
5.12 using a new cost-based methodology. The commissioner shall establish within the  
5.13 methodology tiers of payment designed to promote efficiency and cost-effectiveness.  
5.14 Payment rates for hospitals under this paragraph shall be set at a level that does not exceed  
5.15 the total cost for critical access hospitals as reflected in base year cost reports. Until the  
5.16 next rebasing that occurs, the new methodology shall result in no greater than a five percent  
5.17 decrease from the base year payments for any hospital, except a hospital that had payments  
5.18 that were greater than 100 percent of the hospital's costs in the base year shall have their  
5.19 rate set equal to 100 percent of costs in the base year. The rates paid for discharges on and  
5.20 after July 1, 2016, covered under this paragraph shall be increased by the inflation factor  
5.21 in subdivision 1, paragraph (a). The new cost-based rate shall be the final rate and shall not  
5.22 be settled to actual incurred costs. Hospitals shall be assigned a payment tier based on the  
5.23 following criteria:

5.24 (1) hospitals that had payments at or below 80 percent of their costs in the base year  
5.25 shall have a rate set that equals 85 percent of their base year costs;

5.26 (2) hospitals that had payments that were above 80 percent, up to and including 90  
5.27 percent of their costs in the base year shall have a rate set that equals 95 percent of their  
5.28 base year costs; and

5.29 (3) hospitals that had payments that were above 90 percent of their costs in the base year  
5.30 shall have a rate set that equals 100 percent of their base year costs.

5.31 (j) Effective for discharges occurring on or after July 1, 2023, payment rates under this  
5.32 section must be rebased to reflect those changes in hospital costs between the existing base  
5.33 year or years and one year prior to the rate year. In any year that inpatient claims volume  
5.34 falls below the threshold required to ensure a statistically valid sample of claims, the

6.1 commissioner may combine claims data from two consecutive years to serve as the base  
6.2 year. Years in which inpatient claims volume is reduced or altered due to a pandemic or  
6.3 other public health emergency must not be used as a base year or part of a base year if the  
6.4 base year includes more than one year. Changes in costs between the base year or years and  
6.5 one year prior to the rate year must be measured using the hospital cost index defined in  
6.6 subdivision 1, paragraph (a). The commissioner must establish the base year for each rebasing  
6.7 period considering the most recent year or years for which filed Medicare cost reports are  
6.8 available. The estimated change in the average payment per hospital discharge resulting  
6.9 from a scheduled rebasing must be calculated and made available to the legislature by  
6.10 January 15 of each year in which rebasing is scheduled to occur, and must include the  
6.11 differential in payment rates compared to the individual hospital's costs by hospital.

6.12 (k) Effective for discharges occurring on or after July 1, 2023, inpatient payment rates  
6.13 for critical access hospitals located in Minnesota or the local trade area must be a rate equal  
6.14 to 100 percent of their base year costs inflated to the year prior to the rate year using the  
6.15 hospital cost index defined in subdivision 1, paragraph (a).

6.16 (l) The commissioner may refine the payment tiers and criteria for critical access hospitals  
6.17 to coincide with the next rebasing under paragraph (h). The factors used to develop the new  
6.18 methodology may include, but are not limited to:

6.19 (1) the ratio between the hospital's costs for treating medical assistance patients and the  
6.20 hospital's charges to the medical assistance program;

6.21 (2) the ratio between the hospital's costs for treating medical assistance patients and the  
6.22 hospital's payments received from the medical assistance program for the care of medical  
6.23 assistance patients;

6.24 (3) the ratio between the hospital's charges to the medical assistance program and the  
6.25 hospital's payments received from the medical assistance program for the care of medical  
6.26 assistance patients;

6.27 (4) the statewide average increases in the ratios identified in clauses (1), (2), and (3);

6.28 (5) the proportion of that hospital's costs that are administrative and trends in  
6.29 administrative costs; and

6.30 (6) geographic location.

7.1 Sec. 4. Minnesota Statutes 2022, section 256.969, subdivision 9, is amended to read:

7.2 Subd. 9. **Disproportionate numbers of low-income patients served.** (a) For admissions  
7.3 occurring on or after July 1, 1993, the medical assistance disproportionate population  
7.4 adjustment shall comply with federal law and shall be paid to a hospital, excluding regional  
7.5 treatment centers and facilities of the federal Indian Health Service, with a medical assistance  
7.6 inpatient utilization rate in excess of the arithmetic mean. The adjustment must be determined  
7.7 as follows:

7.8 (1) for a hospital with a medical assistance inpatient utilization rate above the arithmetic  
7.9 mean for all hospitals excluding regional treatment centers and facilities of the federal Indian  
7.10 Health Service but less than or equal to one standard deviation above the mean, the  
7.11 adjustment must be determined by multiplying the total of the operating and property  
7.12 payment rates by the difference between the hospital's actual medical assistance inpatient  
7.13 utilization rate and the arithmetic mean for all hospitals excluding regional treatment centers  
7.14 and facilities of the federal Indian Health Service; and

7.15 (2) for a hospital with a medical assistance inpatient utilization rate above one standard  
7.16 deviation above the mean, the adjustment must be determined by multiplying the adjustment  
7.17 that would be determined under clause (1) for that hospital by 1.1. The commissioner shall  
7.18 report annually on the number of hospitals likely to receive the adjustment authorized by  
7.19 this paragraph. The commissioner shall specifically report on the adjustments received by  
7.20 public hospitals and public hospital corporations located in cities of the first class.

7.21 (b) Certified public expenditures made by Hennepin County Medical Center shall be  
7.22 considered Medicaid disproportionate share hospital payments. Hennepin County and  
7.23 Hennepin County Medical Center shall report by June 15, 2007, on payments made beginning  
7.24 July 1, 2005, or another date specified by the commissioner, that may qualify for  
7.25 reimbursement under federal law. Based on these reports, the commissioner shall apply for  
7.26 federal matching funds.

7.27 (c) Upon federal approval of the related state plan amendment, paragraph (b) is effective  
7.28 retroactively from July 1, 2005, or the earliest effective date approved by the Centers for  
7.29 Medicare and Medicaid Services.

7.30 (d) Effective July 1, 2015, disproportionate share hospital (DSH) payments shall be paid  
7.31 in accordance with a new methodology using 2012 as the base year. Annual payments made  
7.32 under this paragraph shall equal the total amount of payments made for 2012. A licensed  
7.33 children's hospital shall receive only a single DSH factor for children's hospitals. Other  
7.34 DSH factors may be combined to arrive at a single factor for each hospital that is eligible

8.1 for DSH payments. The new methodology shall make payments only to hospitals located  
8.2 in Minnesota and include the following factors:

8.3 (1) a licensed children's hospital with at least 1,000 fee-for-service discharges in the  
8.4 base year shall receive a factor of 0.868. A licensed children's hospital with less than 1,000  
8.5 fee-for-service discharges in the base year shall receive a factor of 0.7880;

8.6 (2) a hospital that has in effect for the initial rate year a contract with the commissioner  
8.7 to provide extended psychiatric inpatient services under section 256.9693 shall receive a  
8.8 factor of 0.0160;

8.9 (3) a hospital that has received medical assistance payment for at least 20 transplant  
8.10 services in the base year shall receive a factor of 0.0435;

8.11 (4) a hospital that has a medical assistance utilization rate in the base year between 20  
8.12 percent up to one standard deviation above the statewide mean utilization rate shall receive  
8.13 a factor of 0.0468;

8.14 (5) a hospital that has a medical assistance utilization rate in the base year that is at least  
8.15 one standard deviation above the statewide mean utilization rate but is less than two and  
8.16 one-half standard deviations above the mean shall receive a factor of 0.2300; and

8.17 (6) a hospital that is a level one trauma center and that has a medical assistance utilization  
8.18 rate in the base year that is at least two and ~~one-half~~ one-quarter standard deviations above  
8.19 the statewide mean utilization rate shall receive a factor of 0.3711.

8.20 (e) For the purposes of determining eligibility for the disproportionate share hospital  
8.21 factors in paragraph (d), clauses (1) to (6), the medical assistance utilization rate and  
8.22 discharge thresholds shall be measured using only one year when a two-year base period  
8.23 is used.

8.24 (f) Any payments or portion of payments made to a hospital under this subdivision that  
8.25 are subsequently returned to the commissioner because the payments are found to exceed  
8.26 the hospital-specific DSH limit for that hospital shall be redistributed, proportionate to the  
8.27 number of fee-for-service discharges, to other DSH-eligible non-children's hospitals that  
8.28 have a medical assistance utilization rate that is at least one standard deviation above the  
8.29 mean.

8.30 (g) An additional payment adjustment shall be established by the commissioner under  
8.31 this subdivision for a hospital that provides high levels of administering high-cost drugs to  
8.32 enrollees in fee-for-service medical assistance. The commissioner shall consider factors  
8.33 including fee-for-service medical assistance utilization rates and payments made for drugs



9.1 purchased through the 340B drug purchasing program and administered to fee-for-service  
9.2 enrollees. If any part of this adjustment exceeds a hospital's hospital-specific disproportionate  
9.3 share hospital limit, or if the hospital qualifies for the alternative payment rate described in  
9.4 subdivision 2e, the commissioner shall make a payment to the hospital that equals the  
9.5 nonfederal share of the amount that exceeds the limit. The total nonfederal share of the  
9.6 amount of the payment adjustment under this paragraph shall not exceed ~~\$1,500,000~~  
9.7 \$10,000,000. The department shall calculate the aggregate difference in payments for  
9.8 outpatient pharmacy claims for members enrolled with medical assistance prepaid health  
9.9 plans reimbursed at the 340B rate as compared to the non-340B rate, as defined in section  
9.10 256B.0625. The department shall report the results to the chairs and ranking minority  
9.11 members of the legislative committees with jurisdiction over medical assistance hospital  
9.12 reimbursement no later than January 1 for the previous fiscal year.

9.13 **EFFECTIVE DATE.** This section is effective January 1, 2026, or the January 1  
9.14 following certification of the modernized pharmacy claims processing system, whichever  
9.15 is later. The commissioner of human services shall notify the revisor of statutes when  
9.16 certification of the modernized pharmacy claims processing system occurs.

9.17 Sec. 5. Minnesota Statutes 2022, section 256.969, subdivision 25, is amended to read:

9.18 Subd. 25. **Long-term hospital rates.** (a) Long-term hospitals shall be paid on a per diem  
9.19 basis.

9.20 (b) For admissions occurring on or after April 1, 1995, a long-term hospital as designated  
9.21 by Medicare that does not have admissions in the base year shall have inpatient rates  
9.22 established at the average of other hospitals with the same designation. For subsequent  
9.23 rate-setting periods in which base years are updated, the hospital's base year shall be the  
9.24 first Medicare cost report filed with the long-term hospital designation and shall remain in  
9.25 effect until it falls within the same period as other hospitals.

9.26 (c) For admissions occurring on or after July 1, 2023, long-term hospitals must be paid  
9.27 the higher of a per diem amount computed using the methodology described in subdivision  
9.28 2b, paragraph (i), or the per diem rate as of July 1, 2021.

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

10.1 Sec. 6. Minnesota Statutes 2022, section 256.969, is amended by adding a subdivision to  
10.2 read:

10.3 Subd. 31. **Long-acting reversible contraceptives.** (a) The commissioner must provide  
10.4 separate reimbursement to hospitals for long-acting reversible contraceptives provided  
10.5 immediately postpartum in the inpatient hospital setting. This payment must be in addition  
10.6 to the diagnostic related group reimbursement for labor and delivery and shall be made  
10.7 consistent with section 256B.0625, subdivision 13e, paragraph (e).

10.8 (b) The commissioner must require managed care and county-based purchasing plans  
10.9 to comply with this subdivision when providing services to medical assistance enrollees.

10.10 **EFFECTIVE DATE.** This section is effective January 1, 2024.

10.11 Sec. 7. Minnesota Statutes 2022, section 256B.055, subdivision 17, is amended to read:

10.12 Subd. 17. **Adults who were in foster care at the age of 18.** (a) Medical assistance may  
10.13 be paid for a person under 26 years of age who was in foster care under the commissioner's  
10.14 responsibility on the date of attaining 18 years of age, and who was enrolled in medical  
10.15 assistance under the state plan or a waiver of the plan while in foster care, in accordance  
10.16 with section 2004 of the Affordable Care Act.

10.17 (b) Beginning July 1, 2023, medical assistance may be paid for a person under 26 years  
10.18 of age who was in foster care on the date of attaining 18 years of age and enrolled in another  
10.19 state's Medicaid program while in foster care in accordance with the Substance Use-Disorder  
10.20 Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities  
10.21 Act of 2018. Public Law 115-271, section 1002.

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

10.23 Sec. 8. Minnesota Statutes 2022, section 256B.0625, subdivision 9, is amended to read:

10.24 Subd. 9. **Dental services.** (a) Medical assistance covers medically necessary dental  
10.25 services.

10.26 ~~(b) Medical assistance dental coverage for nonpregnant adults is limited to the following~~  
10.27 ~~services:~~

10.28 ~~(1) comprehensive exams, limited to once every five years;~~

10.29 ~~(2) periodic exams, limited to one per year;~~

10.30 ~~(3) limited exams;~~

- 11.1 ~~(4) bitewing x rays, limited to one per year;~~
- 11.2 ~~(5) periapical x rays;~~
- 11.3 ~~(6) panoramic x rays, limited to one every five years except (1) when medically necessary~~
- 11.4 ~~for the diagnosis and follow up of oral and maxillofacial pathology and trauma or (2) once~~
- 11.5 ~~every two years for patients who cannot cooperate for intraoral film due to a developmental~~
- 11.6 ~~disability or medical condition that does not allow for intraoral film placement;~~
- 11.7 ~~(7) prophylaxis, limited to one per year;~~
- 11.8 ~~(8) application of fluoride varnish, limited to one per year;~~
- 11.9 ~~(9) posterior fillings, all at the amalgam rate;~~
- 11.10 ~~(10) anterior fillings;~~
- 11.11 ~~(11) endodontics, limited to root canals on the anterior and premolars only;~~
- 11.12 ~~(12) removable prostheses, each dental arch limited to one every six years;~~
- 11.13 ~~(13) oral surgery, limited to extractions, biopsies, and incision and drainage of abscesses;~~
- 11.14 ~~(14) palliative treatment and sedative fillings for relief of pain;~~
- 11.15 ~~(15) full mouth debridement, limited to one every five years; and~~
- 11.16 ~~(16) nonsurgical treatment for periodontal disease, including scaling and root planing~~
- 11.17 ~~once every two years for each quadrant, and routine periodontal maintenance procedures.~~
- 11.18 ~~(c) In addition to the services specified in paragraph (b), medical assistance covers the~~
- 11.19 ~~following services for adults, if provided in an outpatient hospital setting or freestanding~~
- 11.20 ~~ambulatory surgical center as part of outpatient dental surgery:~~
- 11.21 ~~(1) periodontics, limited to periodontal scaling and root planing once every two years;~~
- 11.22 ~~(2) general anesthesia; and~~
- 11.23 ~~(3) full mouth survey once every five years.~~
- 11.24 ~~(d) Medical assistance covers medically necessary dental services for children and~~
- 11.25 ~~pregnant women. (b) The following guidelines apply to dental services:~~
- 11.26 (1) posterior fillings are paid at the amalgam rate;
- 11.27 (2) application of sealants are covered once every five years per permanent molar for
- 11.28 children only; and
- 11.29 (3) application of fluoride varnish is covered once every six months; and.

12.1 ~~(4) orthodontia is eligible for coverage for children only.~~

12.2 ~~(e) (c)~~ In addition to the services specified in ~~paragraphs~~ paragraph (b) ~~and (e)~~, medical  
12.3 assistance covers the following services ~~for adults~~:

12.4 (1) house calls or extended care facility calls for on-site delivery of covered services;

12.5 (2) behavioral management when additional staff time is required to accommodate  
12.6 behavioral challenges and sedation is not used;

12.7 (3) oral or IV sedation, if the covered dental service cannot be performed safely without  
12.8 it or would otherwise require the service to be performed under general anesthesia in a  
12.9 hospital or surgical center; and

12.10 (4) prophylaxis, in accordance with an appropriate individualized treatment plan, but  
12.11 no more than four times per year.

12.12 ~~(f) (d)~~ The commissioner shall not require prior authorization for the services included  
12.13 in paragraph ~~(e) (c)~~, clauses (1) to (3), and shall prohibit managed care and county-based  
12.14 purchasing plans from requiring prior authorization for the services included in paragraph  
12.15 ~~(e) (c)~~, clauses (1) to (3), when provided under sections 256B.69, 256B.692, and 256L.12.

12.16 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval,  
12.17 whichever is later. The commissioner of human services shall notify the revisor of statutes  
12.18 when federal approval is obtained.

12.19 Sec. 9. Minnesota Statutes 2022, section 256B.0625, subdivision 13, is amended to read:

12.20 Subd. 13. **Drugs.** (a) Medical assistance covers drugs, except for fertility drugs when  
12.21 specifically used to enhance fertility, if prescribed by a licensed practitioner and dispensed  
12.22 by a licensed pharmacist, by a physician enrolled in the medical assistance program as a  
12.23 dispensing physician, or by a physician, a physician assistant, or an advanced practice  
12.24 registered nurse employed by or under contract with a community health board as defined  
12.25 in section 145A.02, subdivision 5, for the purposes of communicable disease control.

12.26 (b) The dispensed quantity of a prescription drug must not exceed a 34-day supply;  
12.27 unless authorized by the commissioner or as provided in paragraph (h) or the drug appears  
12.28 on the 90-day supply list published by the commissioner. The 90-day supply list shall be  
12.29 published by the commissioner on the department's website. The commissioner may add  
12.30 to, delete from, and otherwise modify the 90-day supply list after providing public notice  
12.31 and the opportunity for a 15-day public comment period. The 90-day supply list may include  
12.32 cost-effective generic drugs and shall not include controlled substances.

13.1 (c) For the purpose of this subdivision and subdivision 13d, an "active pharmaceutical  
13.2 ingredient" is defined as a substance that is represented for use in a drug and when used in  
13.3 the manufacturing, processing, or packaging of a drug becomes an active ingredient of the  
13.4 drug product. An "excipient" is defined as an inert substance used as a diluent or vehicle  
13.5 for a drug. The commissioner shall establish a list of active pharmaceutical ingredients and  
13.6 excipients which are included in the medical assistance formulary. Medical assistance covers  
13.7 selected active pharmaceutical ingredients and excipients used in compounded prescriptions  
13.8 when the compounded combination is specifically approved by the commissioner or when  
13.9 a commercially available product:

13.10 (1) is not a therapeutic option for the patient;

13.11 (2) does not exist in the same combination of active ingredients in the same strengths  
13.12 as the compounded prescription; and

13.13 (3) cannot be used in place of the active pharmaceutical ingredient in the compounded  
13.14 prescription.

13.15 (d) Medical assistance covers the following over-the-counter drugs when prescribed by  
13.16 a licensed practitioner or by a licensed pharmacist who meets standards established by the  
13.17 commissioner, in consultation with the board of pharmacy: antacids, acetaminophen, family  
13.18 planning products, aspirin, insulin, products for the treatment of lice, vitamins for adults  
13.19 with documented vitamin deficiencies, vitamins for children under the age of seven and  
13.20 pregnant or nursing women, and any other over-the-counter drug identified by the  
13.21 commissioner, in consultation with the Formulary Committee, as necessary, appropriate,  
13.22 and cost-effective for the treatment of certain specified chronic diseases, conditions, or  
13.23 disorders, and this determination shall not be subject to the requirements of chapter 14. A  
13.24 pharmacist may prescribe over-the-counter medications as provided under this paragraph  
13.25 for purposes of receiving reimbursement under Medicaid. When prescribing over-the-counter  
13.26 drugs under this paragraph, licensed pharmacists must consult with the recipient to determine  
13.27 necessity, provide drug counseling, review drug therapy for potential adverse interactions,  
13.28 and make referrals as needed to other health care professionals.

13.29 (e) Effective January 1, 2006, medical assistance shall not cover drugs that are coverable  
13.30 under Medicare Part D as defined in the Medicare Prescription Drug, Improvement, and  
13.31 Modernization Act of 2003, Public Law 108-173, section 1860D-2(e), for individuals eligible  
13.32 for drug coverage as defined in the Medicare Prescription Drug, Improvement, and  
13.33 Modernization Act of 2003, Public Law 108-173, section 1860D-1(a)(3)(A). For these  
13.34 individuals, medical assistance may cover drugs from the drug classes listed in United States

14.1 Code, title 42, section 1396r-8(d)(2), subject to this subdivision and subdivisions 13a to  
14.2 13g, except that drugs listed in United States Code, title 42, section 1396r-8(d)(2)(E), shall  
14.3 not be covered.

14.4 (f) Medical assistance covers drugs acquired through the federal 340B Drug Pricing  
14.5 Program and dispensed by 340B covered entities and ambulatory pharmacies under common  
14.6 ownership of the 340B covered entity. Medical assistance does not cover drugs acquired  
14.7 through the federal 340B Drug Pricing Program and dispensed by 340B contract pharmacies.

14.8 (g) Notwithstanding paragraph (a), medical assistance covers self-administered hormonal  
14.9 contraceptives prescribed and dispensed by a licensed pharmacist in accordance with section  
14.10 151.37, subdivision 14; nicotine replacement medications prescribed and dispensed by a  
14.11 licensed pharmacist in accordance with section 151.37, subdivision 15; and opiate antagonists  
14.12 used for the treatment of an acute opiate overdose prescribed and dispensed by a licensed  
14.13 pharmacist in accordance with section 151.37, subdivision 16.

14.14 (h) Medical assistance coverage for a prescription contraceptive must provide a 12-month  
14.15 supply for any prescription contraceptive if a 12-month supply is prescribed by the  
14.16 prescribing health care provider. The prescribing health care provider must determine the  
14.17 appropriate duration for which to prescribe the prescription contraceptives, up to 12 months.  
14.18 For purposes of this paragraph, "prescription contraceptive" means any drug or device that  
14.19 requires a prescription and is approved by the Food and Drug Administration to prevent  
14.20 pregnancy. Prescription contraceptive does not include an emergency contraceptive drug  
14.21 approved to prevent pregnancy when administered after sexual contact. For purposes of this  
14.22 paragraph, "health plan" has the meaning provided in section 62Q.01, subdivision 3.

14.23 **EFFECTIVE DATE.** This section applies to medical assistance and MinnesotaCare  
14.24 coverage effective January 1, 2024.

14.25 Sec. 10. Minnesota Statutes 2022, section 256B.0625, subdivision 13c, is amended to  
14.26 read:

14.27 Subd. 13c. **Formulary Committee.** The commissioner, after receiving recommendations  
14.28 from professional medical associations and professional pharmacy associations, and consumer  
14.29 groups shall designate a Formulary Committee to carry out duties as described in subdivisions  
14.30 13 to 13g. The Formulary Committee shall be comprised of ~~four~~ at least five licensed  
14.31 physicians actively engaged in the practice of medicine in Minnesota, one of whom ~~must~~  
14.32 ~~be actively engaged in the treatment of persons with mental illness~~ is an actively practicing  
14.33 psychiatrist, one of whom specializes in the diagnosis and treatment of rare diseases, one  
14.34 of whom specializes in pediatrics, and one of whom actively treats persons with disabilities;

15.1 at least three licensed pharmacists actively engaged in the practice of pharmacy in Minnesota,  
 15.2 one of whom practices outside the metropolitan counties listed in section 473.121, subdivision  
 15.3 4, one of whom practices in the metropolitan counties listed in section 473.121, subdivision  
 15.4 4, and one of whom is a practicing hospital pharmacist; and one at least four consumer  
 15.5 representative representatives, all of whom must have a personal or professional connection  
 15.6 to medical assistance; and one representative designated by the Minnesota Rare Disease  
 15.7 Advisory Council established under section 256.4835; the remainder to be made up of health  
 15.8 care professionals who are licensed in their field and have recognized knowledge in the  
 15.9 clinically appropriate prescribing, dispensing, and monitoring of covered outpatient drugs.  
 15.10 Members of the Formulary Committee shall not be employed by the Department of Human  
 15.11 Services, but the committee shall be staffed by an employee of the department who shall  
 15.12 serve as an ex officio, nonvoting member of the committee. The department's medical  
 15.13 director shall also serve as an ex officio, nonvoting member for the committee. Committee  
 15.14 members shall serve three-year terms and may be reappointed once by the commissioner.  
 15.15 The committee members shall vote on a chair from among their membership. The chair  
 15.16 shall preside over all committee meetings. The Formulary Committee shall meet at least  
 15.17 ~~twice~~ four times per year. The commissioner may require more frequent Formulary  
 15.18 Committee meetings as needed. An honorarium of \$100 per meeting and reimbursement  
 15.19 for mileage shall be paid to each committee member in attendance. The Formulary Committee  
 15.20 is subject to the Open Meeting Law under chapter 13D. The Formulary Committee expires  
 15.21 June 30, ~~2023~~ 2027.

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

15.23 Sec. 11. Minnesota Statutes 2022, section 256B.0625, subdivision 13f, is amended to read:

15.24 Subd. 13f. **Prior authorization.** (a) The Formulary Committee shall review and  
 15.25 recommend drugs which require prior authorization. The Formulary Committee shall  
 15.26 establish general criteria to be used for the prior authorization of brand-name drugs for  
 15.27 which generically equivalent drugs are available, but the committee is not required to review  
 15.28 each brand-name drug for which a generically equivalent drug is available.

15.29 (b) Prior authorization may be required by the commissioner before certain formulary  
 15.30 drugs are eligible for payment. The Formulary Committee may recommend drugs for prior  
 15.31 authorization directly to the commissioner. The commissioner may also request that the  
 15.32 Formulary Committee review a drug for prior authorization. Before the commissioner may  
 15.33 require prior authorization for a drug:

16.1 (1) the commissioner must provide information to the Formulary Committee on the  
16.2 impact that placing the drug on prior authorization may have on the quality of patient care  
16.3 and on program costs, information regarding whether the drug is subject to clinical abuse  
16.4 or misuse, and relevant data from the state Medicaid program if such data is available;

16.5 (2) the Formulary Committee must review the drug, taking into account medical and  
16.6 clinical data and the information provided by the commissioner; and

16.7 (3) the Formulary Committee must hold a public forum and receive public comment for  
16.8 an additional 15 days.

16.9 The commissioner must provide a 15-day notice period before implementing the prior  
16.10 authorization.

16.11 (c) Except as provided in subdivision 13j, prior authorization shall not be required or  
16.12 utilized for any atypical antipsychotic drug prescribed for the treatment of mental illness  
16.13 if:

16.14 (1) there is no generically equivalent drug available; and

16.15 (2) the drug was initially prescribed for the recipient prior to July 1, 2003; or

16.16 (3) the drug is part of the recipient's current course of treatment.

16.17 This paragraph applies to any multistate preferred drug list or supplemental drug rebate  
16.18 program established or administered by the commissioner. Prior authorization shall  
16.19 automatically be granted for 60 days for brand name drugs prescribed for treatment of mental  
16.20 illness within 60 days of when a generically equivalent drug becomes available, provided  
16.21 that the brand name drug was part of the recipient's course of treatment at the time the  
16.22 generically equivalent drug became available.

16.23 (d) Prior authorization shall not be required or utilized for:

16.24 (1) any liquid form of a medication for a patient who utilizes tube feedings of any kind,  
16.25 even if such patient has or had any paid claims for pills; and

16.26 (2) liquid methadone. If more than one version of liquid methadone is available, the  
16.27 commissioner shall select the version of liquid methadone that does not require prior  
16.28 authorization.

16.29 This paragraph applies to any multistate preferred drug list or supplemental drug rebate  
16.30 program established or administered by the commissioner.

16.31 (e) The commissioner may require prior authorization for brand name drugs whenever  
16.32 a generically equivalent product is available, even if the prescriber specifically indicates



17.1 "dispense as written-brand necessary" on the prescription as required by section 151.21,  
 17.2 subdivision 2.

17.3 ~~(e)~~ (f) Notwithstanding this subdivision, the commissioner may automatically require  
 17.4 prior authorization, for a period not to exceed 180 days, for any drug that is approved by  
 17.5 the United States Food and Drug Administration on or after July 1, 2005. The 180-day  
 17.6 period begins no later than the first day that a drug is available for shipment to pharmacies  
 17.7 within the state. The Formulary Committee shall recommend to the commissioner general  
 17.8 criteria to be used for the prior authorization of the drugs, but the committee is not required  
 17.9 to review each individual drug. In order to continue prior authorizations for a drug after the  
 17.10 180-day period has expired, the commissioner must follow the provisions of this subdivision.

17.11 ~~(f)~~ (g) Prior authorization under this subdivision shall comply with section 62Q.184.

17.12 ~~(g)~~ (h) Any step therapy protocol requirements established by the commissioner must  
 17.13 comply with section 62Q.1841.

17.14 Sec. 12. Minnesota Statutes 2022, section 256B.0625, subdivision 13g, is amended to  
 17.15 read:

17.16 Subd. 13g. **Preferred drug list.** (a) The commissioner shall adopt and implement a  
 17.17 preferred drug list by January 1, 2004. The commissioner may enter into a contract with a  
 17.18 vendor for the purpose of participating in a preferred drug list and supplemental rebate  
 17.19 program. The terms of the contract with the vendor must be publicly disclosed on the website  
 17.20 of the Department of Human Services. The commissioner shall ensure that any contract  
 17.21 meets all federal requirements and maximizes federal financial participation. The  
 17.22 commissioner shall publish the preferred drug list annually in the State Register and shall  
 17.23 maintain an accurate and up-to-date list on the agency website. The commissioner shall  
 17.24 implement and maintain an accurate archive of previous versions of the preferred drug list,  
 17.25 and make this archive available to the public on the website of the Department of Human  
 17.26 Services beginning January 1, 2024.

17.27 (b) The commissioner may add to, delete from, and otherwise modify the preferred drug  
 17.28 list, after consulting with the Formulary Committee ~~and~~, appropriate medical specialists  
 17.29 ~~and~~, appropriate patient advocacy groups, and the Minnesota Rare Disease Advisory  
 17.30 Council; providing public notice and the opportunity for public comment; and complying  
 17.31 with the requirements of paragraph (f).

18.1 (c) The commissioner shall adopt and administer the preferred drug list as part of the  
18.2 administration of the supplemental drug rebate program. Reimbursement for prescription  
18.3 drugs not on the preferred drug list may be subject to prior authorization.

18.4 (d) For purposes of this subdivision, the following definitions apply:

18.5 (1) "appropriate medical specialist" means a medical professional who prescribes the  
18.6 relevant class of drug as part of their subspecialty;

18.7 (2) "patient advocacy group" means a nonprofit organization as described in United  
18.8 States Code, title 26, section 501(c)(3), that is exempt from income tax under United States  
18.9 Code, title 26, section 501(a), or a public entity that supports persons with the disease state  
18.10 treated by the therapeutic class of the preferred drug list being updated; and

18.11 (3) "preferred drug list" means a list of prescription drugs within designated therapeutic  
18.12 classes selected by the commissioner, for which prior authorization based on the identity  
18.13 of the drug or class is not required.

18.14 (e) The commissioner shall seek any federal waivers or approvals necessary to implement  
18.15 this subdivision. The commissioner shall maintain a public list of applicable patient advocacy  
18.16 groups.

18.17 (f) ~~Notwithstanding paragraph (b),~~ Before the commissioner may delete a drug from the  
18.18 preferred drug list or modify the inclusion of a drug on the preferred drug list, the  
18.19 commissioner shall consider any implications that the deletion or modification may have  
18.20 on state public health policies or initiatives and any impact that the deletion or modification  
18.21 may have on increasing health disparities in the state. Prior to deleting a drug or modifying  
18.22 the inclusion of a drug, the commissioner shall also conduct a public hearing. The  
18.23 commissioner shall provide adequate notice to the public and the commissioner of health  
18.24 prior to the hearing that specifies the drug that the commissioner is proposing to delete or  
18.25 modify, and shall disclose any public medical or clinical analysis that the commissioner  
18.26 has relied on in proposing the deletion or modification, and evidence that the commissioner  
18.27 has evaluated the impact of the proposed deletion or modification on public health and  
18.28 health disparities. Notwithstanding section 331A.05, a public notice of a Formulary  
18.29 Committee meeting must be published at least 30 days in advance of the meeting. The list  
18.30 of drugs to be discussed at the meeting must be announced at least 30 days before the meeting  
18.31 and must include the name and class of drug, the proposed action, and the proposed prior  
18.32 authorization requirements, if applicable.

19.1 Sec. 13. Minnesota Statutes 2022, section 256B.0625, subdivision 28b, is amended to  
19.2 read:

19.3 Subd. 28b. **Doula services.** Medical assistance covers doula services provided by a  
19.4 certified doula as defined in section 148.995, subdivision 2, of the mother's choice. For  
19.5 purposes of this section, "doula services" means childbirth education and support services,  
19.6 including emotional and physical support provided during pregnancy, labor, birth, and  
19.7 postpartum. The commissioner shall enroll doula agencies and individual treating doulas  
19.8 to provide direct reimbursement.

19.9 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval,  
19.10 whichever is later. The commissioner of human services shall notify the revisor of statutes  
19.11 when federal approval is obtained.

19.12 Sec. 14. Minnesota Statutes 2022, section 256B.0625, subdivision 30, is amended to read:

19.13 Subd. 30. **Other clinic services.** (a) Medical assistance covers rural health clinic services,  
19.14 federally qualified health center services, nonprofit community health clinic services, and  
19.15 public health clinic services. Rural health clinic services and federally qualified health center  
19.16 services mean services defined in United States Code, title 42, section 1396d(a)(2)(B) and  
19.17 (C). Payment for rural health clinic and federally qualified health center services shall be  
19.18 made according to applicable federal law and regulation.

19.19 (b) A federally qualified health center (FQHC) that is beginning initial operation shall  
19.20 submit an estimate of budgeted costs and visits for the initial reporting period in the form  
19.21 and detail required by the commissioner. An FQHC that is already in operation shall submit  
19.22 an initial report using actual costs and visits for the initial reporting period. Within 90 days  
19.23 of the end of its reporting period, an FQHC shall submit, in the form and detail required by  
19.24 the commissioner, a report of its operations, including allowable costs actually incurred for  
19.25 the period and the actual number of visits for services furnished during the period, and other  
19.26 information required by the commissioner. FQHCs that file Medicare cost reports shall  
19.27 provide the commissioner with a copy of the most recent Medicare cost report filed with  
19.28 the Medicare program intermediary for the reporting year which support the costs claimed  
19.29 on their cost report to the state.

19.30 (c) In order to continue cost-based payment under the medical assistance program  
19.31 according to paragraphs (a) and (b), an FQHC or rural health clinic must apply for designation  
19.32 as an essential community provider within six months of final adoption of rules by the  
19.33 Department of Health according to section 62Q.19, subdivision 7. For those FQHCs and  
19.34 rural health clinics that have applied for essential community provider status within the

20.1 six-month time prescribed, medical assistance payments will continue to be made according  
20.2 to paragraphs (a) and (b) for the first three years after application. For FQHCs and rural  
20.3 health clinics that either do not apply within the time specified above or who have had  
20.4 essential community provider status for three years, medical assistance payments for health  
20.5 services provided by these entities shall be according to the same rates and conditions  
20.6 applicable to the same service provided by health care providers that are not FQHCs or rural  
20.7 health clinics.

20.8 (d) Effective July 1, 1999, the provisions of paragraph (c) requiring an FQHC or a rural  
20.9 health clinic to make application for an essential community provider designation in order  
20.10 to have cost-based payments made according to paragraphs (a) and (b) no longer apply.

20.11 (e) Effective January 1, 2000, payments made according to paragraphs (a) and (b) shall  
20.12 be limited to the cost phase-out schedule of the Balanced Budget Act of 1997.

20.13 (f) Effective January 1, 2001, through December 31, 2020, each FQHC and rural health  
20.14 clinic may elect to be paid either under the prospective payment system established in United  
20.15 States Code, title 42, section 1396a(aa), or under an alternative payment methodology  
20.16 consistent with the requirements of United States Code, title 42, section 1396a(aa), and  
20.17 approved by the Centers for Medicare and Medicaid Services. The alternative payment  
20.18 methodology shall be 100 percent of cost as determined according to Medicare cost  
20.19 principles.

20.20 (g) Effective for services provided on or after January 1, 2021, all claims for payment  
20.21 of clinic services provided by FQHCs and rural health clinics shall be paid by the  
20.22 commissioner, according to an annual election by the FQHC or rural health clinic, under  
20.23 the current prospective payment system described in paragraph (f) or the alternative payment  
20.24 methodology described in paragraph (l), or, upon federal approval, for FQHCs that are also  
20.25 urban Indian organizations under Title V of the federal Indian Health Improvement Act, as  
20.26 provided under paragraph (k).

20.27 (h) For purposes of this section, "nonprofit community clinic" is a clinic that:

20.28 (1) has nonprofit status as specified in chapter 317A;

20.29 (2) has tax exempt status as provided in Internal Revenue Code, section 501(c)(3);

20.30 (3) is established to provide health services to low-income population groups, uninsured,  
20.31 high-risk and special needs populations, underserved and other special needs populations;

20.32 (4) employs professional staff at least one-half of which are familiar with the cultural  
20.33 background of their clients;

21.1 (5) charges for services on a sliding fee scale designed to provide assistance to  
21.2 low-income clients based on current poverty income guidelines and family size; and

21.3 (6) does not restrict access or services because of a client's financial limitations or public  
21.4 assistance status and provides no-cost care as needed.

21.5 (i) Effective for services provided on or after January 1, 2015, all claims for payment  
21.6 of clinic services provided by FQHCs and rural health clinics shall be paid by the  
21.7 commissioner. the commissioner shall determine the most feasible method for paying claims  
21.8 from the following options:

21.9 (1) FQHCs and rural health clinics submit claims directly to the commissioner for  
21.10 payment, and the commissioner provides claims information for recipients enrolled in a  
21.11 managed care or county-based purchasing plan to the plan, on a regular basis; or

21.12 (2) FQHCs and rural health clinics submit claims for recipients enrolled in a managed  
21.13 care or county-based purchasing plan to the plan, and those claims are submitted by the  
21.14 plan to the commissioner for payment to the clinic.

21.15 (j) For clinic services provided prior to January 1, 2015, the commissioner shall calculate  
21.16 and pay monthly the proposed managed care supplemental payments to clinics, and clinics  
21.17 shall conduct a timely review of the payment calculation data in order to finalize all  
21.18 supplemental payments in accordance with federal law. Any issues arising from a clinic's  
21.19 review must be reported to the commissioner by January 1, 2017. Upon final agreement  
21.20 between the commissioner and a clinic on issues identified under this subdivision, and in  
21.21 accordance with United States Code, title 42, section 1396a(bb), no supplemental payments  
21.22 for managed care plan or county-based purchasing plan claims for services provided prior  
21.23 to January 1, 2015, shall be made after June 30, 2017. If the commissioner and clinics are  
21.24 unable to resolve issues under this subdivision, the parties shall submit the dispute to the  
21.25 arbitration process under section 14.57.

21.26 ~~(k) The commissioner shall seek a federal waiver, authorized under section 1115 of the~~  
21.27 ~~Social Security Act, to obtain federal financial participation at the 100 percent federal~~  
21.28 ~~matching percentage available to facilities of the Indian Health Service or tribal organization~~  
21.29 ~~in accordance with section 1905(b) of the Social Security Act for expenditures made to~~  
21.30 ~~organizations dually certified under Title V of the Indian Health Care Improvement Act,~~  
21.31 ~~Public Law 94 437, and as a federally qualified health center under paragraph (a) that~~  
21.32 ~~provides services to American Indian and Alaskan Native individuals eligible for services~~  
21.33 ~~under this subdivision.~~

22.1 (k) The commissioner shall establish an encounter payment rate that is equivalent to the  
22.2 all inclusive rate (AIR) payment established by the Indian Health Service and published in  
22.3 the Federal Register. The encounter rate must be updated annually and must reflect the  
22.4 changes in the AIR established by the Indian Health Service each calendar year. FQHCs  
22.5 that are also urban Indian organizations under Title V of the federal Indian Health  
22.6 Improvement Act may elect to be paid: (1) at the encounter rate established under this  
22.7 paragraph; (2) under the alternative payment methodology described in paragraph (l); or  
22.8 (3) under the federally required prospective payment system described in paragraph (f).  
22.9 FQHCs that elect to be paid at the encounter rate established under this paragraph must  
22.10 continue to meet all state and federal requirements related to FQHCs and urban Indian  
22.11 organizations, and must maintain their statuses as FQHCs and urban Indian organizations.

22.12 (l) All claims for payment of clinic services provided by FQHCs and rural health clinics,  
22.13 that have elected to be paid under this paragraph, shall be paid by the commissioner according  
22.14 to the following requirements:

22.15 (1) the commissioner shall establish a single medical and single dental organization  
22.16 encounter rate for each FQHC and rural health clinic when applicable;

22.17 (2) each FQHC and rural health clinic is eligible for same day reimbursement of one  
22.18 medical and one dental organization encounter rate if eligible medical and dental visits are  
22.19 provided on the same day;

22.20 (3) the commissioner shall reimburse FQHCs and rural health clinics, in accordance  
22.21 with current applicable Medicare cost principles, their allowable costs, including direct  
22.22 patient care costs and patient-related support services. Nonallowable costs include, but are  
22.23 not limited to:

22.24 (i) general social services and administrative costs;

22.25 (ii) retail pharmacy;

22.26 (iii) patient incentives, food, housing assistance, and utility assistance;

22.27 (iv) external lab and x-ray;

22.28 (v) navigation services;

22.29 (vi) health care taxes;

22.30 (vii) advertising, public relations, and marketing;

22.31 (viii) office entertainment costs, food, alcohol, and gifts;

22.32 (ix) contributions and donations;

- 23.1 (x) bad debts or losses on awards or contracts;
- 23.2 (xi) fines, penalties, damages, or other settlements;
- 23.3 (xii) fundraising, investment management, and associated administrative costs;
- 23.4 (xiii) research and associated administrative costs;
- 23.5 (xiv) nonpaid workers;
- 23.6 (xv) lobbying;
- 23.7 (xvi) scholarships and student aid; and
- 23.8 (xvii) nonmedical assistance covered services;
- 23.9 (4) the commissioner shall review the list of nonallowable costs in the years between
- 23.10 the rebasing process established in clause (5), in consultation with the Minnesota Association
- 23.11 of Community Health Centers, FQHCs, and rural health clinics. The commissioner shall
- 23.12 publish the list and any updates in the Minnesota health care programs provider manual;
- 23.13 (5) the initial applicable base year organization encounter rates for FQHCs and rural
- 23.14 health clinics shall be computed for services delivered on or after January 1, 2021, and:
- 23.15 (i) must be determined using each FQHC's and rural health clinic's Medicare cost reports
- 23.16 from 2017 and 2018;
- 23.17 (ii) must be according to current applicable Medicare cost principles as applicable to
- 23.18 FQHCs and rural health clinics without the application of productivity screens and upper
- 23.19 payment limits or the Medicare prospective payment system FQHC aggregate mean upper
- 23.20 payment limit;
- 23.21 (iii) must be subsequently rebased every two years thereafter using the Medicare cost
- 23.22 reports that are three and four years prior to the rebasing year. Years in which organizational
- 23.23 cost or claims volume is reduced or altered due to a pandemic, disease, or other public health
- 23.24 emergency shall not be used as part of a base year when the base year includes more than
- 23.25 one year. The commissioner may use the Medicare cost reports of a year unaffected by a
- 23.26 pandemic, disease, or other public health emergency, or previous two consecutive years,
- 23.27 inflated to the base year as established under item (iv);
- 23.28 (iv) must be inflated to the base year using the inflation factor described in clause (6);
- 23.29 and
- 23.30 (v) the commissioner must provide for a 60-day appeals process under section 14.57;

24.1 (6) the commissioner shall annually inflate the applicable organization encounter rates  
24.2 for FQHCs and rural health clinics from the base year payment rate to the effective date by  
24.3 using the CMS FQHC Market Basket inflator established under United States Code, title  
24.4 42, section 1395m(o), less productivity;

24.5 (7) FQHCs and rural health clinics that have elected the alternative payment methodology  
24.6 under this paragraph shall submit all necessary documentation required by the commissioner  
24.7 to compute the rebased organization encounter rates no later than six months following the  
24.8 date the applicable Medicare cost reports are due to the Centers for Medicare and Medicaid  
24.9 Services;

24.10 (8) the commissioner shall reimburse FQHCs and rural health clinics an additional  
24.11 amount relative to their medical and dental organization encounter rates that is attributable  
24.12 to the tax required to be paid according to section 295.52, if applicable;

24.13 (9) FQHCs and rural health clinics may submit change of scope requests to the  
24.14 commissioner if the change of scope would result in an increase or decrease of 2.5 percent  
24.15 or higher in the medical or dental organization encounter rate currently received by the  
24.16 FQHC or rural health clinic;

24.17 (10) for FQHCs and rural health clinics seeking a change in scope with the commissioner  
24.18 under clause (9) that requires the approval of the scope change by the federal Health  
24.19 Resources Services Administration:

24.20 (i) FQHCs and rural health clinics shall submit the change of scope request, including  
24.21 the start date of services, to the commissioner within seven business days of submission of  
24.22 the scope change to the federal Health Resources Services Administration;

24.23 (ii) the commissioner shall establish the effective date of the payment change as the  
24.24 federal Health Resources Services Administration date of approval of the FQHC's or rural  
24.25 health clinic's scope change request, or the effective start date of services, whichever is  
24.26 later; and

24.27 (iii) within 45 days of one year after the effective date established in item (ii), the  
24.28 commissioner shall conduct a retroactive review to determine if the actual costs established  
24.29 under clause (3) or encounters result in an increase or decrease of 2.5 percent or higher in  
24.30 the medical or dental organization encounter rate, and if this is the case, the commissioner  
24.31 shall revise the rate accordingly and shall adjust payments retrospectively to the effective  
24.32 date established in item (ii);



25.1 (11) for change of scope requests that do not require federal Health Resources Services  
25.2 Administration approval, the FQHC and rural health clinic shall submit the request to the  
25.3 commissioner before implementing the change, and the effective date of the change is the  
25.4 date the commissioner received the FQHC's or rural health clinic's request, or the effective  
25.5 start date of the service, whichever is later. The commissioner shall provide a response to  
25.6 the FQHC's or rural health clinic's request within 45 days of submission and provide a final  
25.7 approval within 120 days of submission. This timeline may be waived at the mutual  
25.8 agreement of the commissioner and the FQHC or rural health clinic if more information is  
25.9 needed to evaluate the request;

25.10 (12) the commissioner, when establishing organization encounter rates for new FQHCs  
25.11 and rural health clinics, shall consider the patient caseload of existing FQHCs and rural  
25.12 health clinics in a 60-mile radius for organizations established outside of the seven-county  
25.13 metropolitan area, and in a 30-mile radius for organizations in the seven-county metropolitan  
25.14 area. If this information is not available, the commissioner may use Medicare cost reports  
25.15 or audited financial statements to establish base rates;

25.16 (13) the commissioner shall establish a quality measures workgroup that includes  
25.17 representatives from the Minnesota Association of Community Health Centers, FQHCs,  
25.18 and rural health clinics, to evaluate clinical and nonclinical measures; and

25.19 (14) the commissioner shall not disallow or reduce costs that are related to an FQHC's  
25.20 or rural health clinic's participation in health care educational programs to the extent that  
25.21 the costs are not accounted for in the alternative payment methodology encounter rate  
25.22 established in this paragraph.

25.23 (m) Effective July 1, 2023, an enrolled Indian health service facility or a Tribal health  
25.24 center operating under a 638 contract or compact may elect to also enroll as a Tribal FQHC.  
25.25 Requirements that otherwise apply to an FQHC covered in this subdivision do not apply to  
25.26 a Tribal FQHC enrolled under this paragraph, except that any requirements necessary to  
25.27 comply with federal regulations do apply to a Tribal FQHC. The commissioner shall establish  
25.28 an alternative payment method for a Tribal FQHC enrolled under this paragraph that uses  
25.29 the same method and rates applicable to a Tribal facility or health center that does not enroll  
25.30 as a Tribal FQHC.

25.31 **EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval,  
25.32 whichever is later. The commissioner of human services shall notify the revisor of statutes  
25.33 when federal approval is obtained.

26.1 Sec. 15. Minnesota Statutes 2022, section 256B.0625, subdivision 31, is amended to read:

26.2 Subd. 31. **Medical supplies and equipment.** (a) Medical assistance covers medical  
26.3 supplies and equipment. Separate payment outside of the facility's payment rate shall be  
26.4 made for wheelchairs and wheelchair accessories for recipients who are residents of  
26.5 intermediate care facilities for the developmentally disabled. Reimbursement for wheelchairs  
26.6 and wheelchair accessories for ICF/DD recipients shall be subject to the same conditions  
26.7 and limitations as coverage for recipients who do not reside in institutions. A wheelchair  
26.8 purchased outside of the facility's payment rate is the property of the recipient.

26.9 (b) Vendors of durable medical equipment, prosthetics, orthotics, or medical supplies  
26.10 must enroll as a Medicare provider.

26.11 (c) When necessary to ensure access to durable medical equipment, prosthetics, orthotics,  
26.12 or medical supplies, the commissioner may exempt a vendor from the Medicare enrollment  
26.13 requirement if:

26.14 (1) the vendor supplies only one type of durable medical equipment, prosthetic, orthotic,  
26.15 or medical supply;

26.16 (2) the vendor serves ten or fewer medical assistance recipients per year;

26.17 (3) the commissioner finds that other vendors are not available to provide same or similar  
26.18 durable medical equipment, prosthetics, orthotics, or medical supplies; and

26.19 (4) the vendor complies with all screening requirements in this chapter and Code of  
26.20 Federal Regulations, title 42, part 455. The commissioner may also exempt a vendor from  
26.21 the Medicare enrollment requirement if the vendor is accredited by a Centers for Medicare  
26.22 and Medicaid Services approved national accreditation organization as complying with the  
26.23 Medicare program's supplier and quality standards and the vendor serves primarily pediatric  
26.24 patients.

26.25 (d) Durable medical equipment means a device or equipment that:

26.26 (1) can withstand repeated use;

26.27 (2) is generally not useful in the absence of an illness, injury, or disability; and

26.28 (3) is provided to correct or accommodate a physiological disorder or physical condition  
26.29 or is generally used primarily for a medical purpose.

26.30 (e) Electronic tablets may be considered durable medical equipment if the electronic  
26.31 tablet will be used as an augmentative and alternative communication system as defined

27.1 under subdivision 31a, paragraph (a). To be covered by medical assistance, the device must  
27.2 be locked in order to prevent use not related to communication.

27.3 (f) Notwithstanding the requirement in paragraph (e) that an electronic tablet must be  
27.4 locked to prevent use not as an augmentative communication device, a recipient of waiver  
27.5 services may use an electronic tablet for a use not related to communication when the  
27.6 recipient has been authorized under the waiver to receive one or more additional applications  
27.7 that can be loaded onto the electronic tablet, such that allowing the additional use prevents  
27.8 the purchase of a separate electronic tablet with waiver funds.

27.9 (g) An order or prescription for medical supplies, equipment, or appliances must meet  
27.10 the requirements in Code of Federal Regulations, title 42, part 440.70.

27.11 (h) Allergen-reducing products provided according to subdivision 67, paragraph (c) or  
27.12 (d), shall be considered durable medical equipment.

27.13 (i) Seizure detection devices are covered as durable medical equipment under this  
27.14 subdivision if:

27.15 (1) the seizure detection device is medically appropriate based on the recipient's medical  
27.16 condition or status; and

27.17 (2) the recipient's health care provider has identified that a seizure detection device  
27.18 would:

27.19 (i) likely assist in reducing bodily harm to or death of the recipient as a result of the  
27.20 recipient experiencing a seizure; or

27.21 (ii) provide data to the health care provider necessary to appropriately diagnose or treat  
27.22 a health condition of the recipient that causes the seizure activity.

27.23 (j) For purposes of paragraph (i), "seizure detection device" means a United States Food  
27.24 and Drug Administration-approved monitoring device and related service or subscription  
27.25 supporting the prescribed use of the device, including technology that provides ongoing  
27.26 patient monitoring and alert services that detect seizure activity and transmit notification  
27.27 of the seizure activity to a caregiver for appropriate medical response or collects data of the  
27.28 seizure activity of the recipient that can be used by a health care provider to diagnose or  
27.29 appropriately treat a health care condition that causes the seizure activity. The medical  
27.30 assistance reimbursement rate for a subscription supporting the prescribed use of a seizure  
27.31 detection device is 60 percent of the rate for monthly remote monitoring under the medical  
27.32 assistance telemonitoring benefit.

28.1 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval,  
28.2 whichever is later. The commissioner of human services shall notify the revisor of statutes  
28.3 when federal approval is obtained.

28.4 Sec. 16. Minnesota Statutes 2022, section 256B.0625, subdivision 34, is amended to read:

28.5 Subd. 34. **Indian health services facilities.** (a) Medical assistance payments and  
28.6 MinnesotaCare payments to facilities of the Indian health service and facilities operated by  
28.7 a Tribe or Tribal organization under funding authorized by United States Code, title 25,  
28.8 sections 450f to 450n, or title III of the Indian Self-Determination and Education Assistance  
28.9 Act, Public Law 93-638, for enrollees who are eligible for federal financial participation,  
28.10 shall be at the option of the facility in accordance with the rate published by the United  
28.11 States Assistant Secretary for Health under the authority of United States Code, title 42,  
28.12 sections 248(a) and 249(b). MinnesotaCare payments for enrollees who are not eligible for  
28.13 federal financial participation at facilities of the Indian health service and facilities operated  
28.14 by a Tribe or Tribal organization for the provision of outpatient medical services must be  
28.15 in accordance with the medical assistance rates paid for the same services when provided  
28.16 in a facility other than a facility of the Indian health service or a facility operated by a Tribe  
28.17 or Tribal organization.

28.18 ~~(b) Effective upon federal approval, the medical assistance payments to a dually certified~~  
28.19 ~~facility as defined in subdivision 30, paragraph (j), shall be the encounter rate described in~~  
28.20 ~~paragraph (a) or a rate that is substantially equivalent for services provided to American~~  
28.21 ~~Indians and Alaskan Native populations. The rate established under this paragraph for dually~~  
28.22 ~~certified facilities shall not apply to MinnesotaCare payments.~~

28.23 **EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval,  
28.24 whichever is later. The commissioner of human services shall notify the revisor of statutes  
28.25 when federal approval is obtained.

28.26 Sec. 17. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision  
28.27 to read:

28.28 Subd. 68. **Biomarker testing.** Medical assistance covers biomarker testing to diagnose,  
28.29 treat, manage, and monitor illness or disease. Medical assistance coverage must meet the  
28.30 requirements that would otherwise apply to a health plan under section 62Q.473.

28.31 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
28.32 whichever is later. The commissioner of human services shall notify the revisor of statutes  
28.33 when federal approval is obtained.

29.1 Sec. 18. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision  
29.2 to read:

29.3 Subd. 69. **Recuperative care services.** Medical assistance covers recuperative care  
29.4 services according to section 256B.0701.

29.5 **EFFECTIVE DATE.** This section is effective January 1, 2024.

29.6 Sec. 19. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision  
29.7 to read:

29.8 Subd. 70. **Coverage of services for the diagnosis, monitoring, and treatment of rare**  
29.9 **diseases.** (a) Medical assistance coverage for services related to the diagnosis, monitoring,  
29.10 and treatment of a rare disease or condition must meet the requirements in section 62Q.451.

29.11 (b) Nothing in this subdivision requires a managed care or county-based purchasing plan  
29.12 to provide coverage for a service that is not covered under medical assistance.

29.13 (c) Coverage for a service must not be denied solely on the basis that it was provided,  
29.14 referred for, or ordered by an out-of-network provider.

29.15 (d) Any prior authorization requirements for a service that is provided by, referred for,  
29.16 or ordered by an out-of-network provider must be the same as any prior authorization  
29.17 requirements for a service that is provided by, referred for, or ordered by an in-network  
29.18 provider.

29.19 **EFFECTIVE DATE.** This section is effective January 1, 2024.

29.20 Sec. 20. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision  
29.21 to read:

29.22 Subd. 70a. **Payments to out-of-network providers for services provided in**  
29.23 **Minnesota.** (a) If a managed care or county-based purchasing plan has an established  
29.24 contractual payment under medical assistance with an out-of-network provider for a service  
29.25 provided in Minnesota related to the diagnosis, monitoring, and treatment of a rare disease  
29.26 or condition, then the provider must accept the established contractual payment for that  
29.27 service as payment in full.

29.28 (b) If a plan does not have an established contractual payment under medical assistance  
29.29 with an out-of-network provider for a service provided in Minnesota related to the diagnosis,  
29.30 monitoring, and treatment of a rare disease or condition, then the provider must accept the  
29.31 provider's established rate for uninsured patients for that service as payment in full. If the

30.1 provider does not have an established rate for uninsured patients for that service, then the  
30.2 provider must accept the fee-for-service rate.

30.3 **EFFECTIVE DATE.** This section is effective January 1, 2024.

30.4 Sec. 21. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision  
30.5 to read:

30.6 **Subd. 70b. Payments to out-of-network providers when services are provided outside**  
30.7 **of Minnesota.** (a) If a managed care or county-based purchasing plan has an established  
30.8 contractual payment under medical assistance with an out-of-network provider for a service  
30.9 provided in another state related to diagnosis, monitoring, and treatment of a rare disease  
30.10 or condition, then the plan must pay the established contractual payment for that service.

30.11 (b) If a plan does not have an established contractual payment under medical assistance  
30.12 with an out-of-network provider for a service provided in another state related to diagnosis,  
30.13 monitoring, and treatment of a rare disease or condition, then the plan must pay the provider's  
30.14 established rate for uninsured patients for that service. If the provider does not have an  
30.15 established rate for uninsured patients for that service, then the plan must pay the provider  
30.16 the fee-for-service rate in that state.

30.17 **EFFECTIVE DATE.** This section is effective January 1, 2024.

30.18 Sec. 22. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision  
30.19 to read:

30.20 **Subd. 71. Coverage and payment for pharmacy services.** (a) Medical assistance  
30.21 coverage for services provided by a licensed physician must include coverage for services  
30.22 provided by a licensed pharmacist to the extent a licensed pharmacist's services are within  
30.23 the pharmacist's scope of practice. This requirement applies to services provided (1) under  
30.24 fee-for-service medical assistance, and (2) by a managed care plan under section 256B.69  
30.25 or a county-based purchasing plan under section 256B.692.

30.26 (b) The commissioner, and managed care and county-based purchasing plans when  
30.27 providing services under sections 256B.69 and 256B.692, must reimburse a participating  
30.28 pharmacist or pharmacy for a service that is also within a physician's scope of practice at  
30.29 an amount no lower than the standard payment rate that would be applied when reimbursing  
30.30 a physician for the service.

31.1 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,  
31.2 whichever is later. The commissioner of human services must notify the revisor of statutes  
31.3 when federal approval is obtained.

31.4 Sec. 23. Minnesota Statutes 2022, section 256B.0631, subdivision 2, is amended to read:

31.5 Subd. 2. **Exceptions.** Co-payments and deductibles shall be subject to the following  
31.6 exceptions:

31.7 (1) children under the age of 21;

31.8 (2) pregnant women for services that relate to the pregnancy or any other medical  
31.9 condition that may complicate the pregnancy;

31.10 (3) recipients expected to reside for at least 30 days in a hospital, nursing home, or  
31.11 intermediate care facility for the developmentally disabled;

31.12 (4) recipients receiving hospice care;

31.13 (5) 100 percent federally funded services provided by an Indian health service;

31.14 (6) emergency services;

31.15 (7) family planning services, including but not limited to the placement and removal of  
31.16 long-acting reversible contraceptives;

31.17 (8) services that are paid by Medicare, resulting in the medical assistance program paying  
31.18 for the coinsurance and deductible;

31.19 (9) co-payments that exceed one per day per provider for nonpreventive visits, eyeglasses,  
31.20 and nonemergency visits to a hospital-based emergency room;

31.21 (10) services, fee-for-service payments subject to volume purchase through competitive  
31.22 bidding;

31.23 (11) American Indians who meet the requirements in Code of Federal Regulations, title  
31.24 42, sections 447.51 and 447.56;

31.25 (12) persons needing treatment for breast or cervical cancer as described under section  
31.26 256B.057, subdivision 10; ~~and~~

31.27 (13) services that currently have a rating of A or B from the United States Preventive  
31.28 Services Task Force (USPSTF), immunizations recommended by the Advisory Committee  
31.29 on Immunization Practices of the Centers for Disease Control and Prevention, and preventive  
31.30 services and screenings provided to women as described in Code of Federal Regulations,  
31.31 title 45, section 147.130-; and

32.1 (14) additional diagnostic services or testing that a health care provider determines an  
 32.2 enrollee requires after a mammogram, as specified under section 62A.30, subdivision 5.

32.3 **EFFECTIVE DATE.** This section is effective January 1, 2024.

32.4 Sec. 24. **[256B.0701] RECUPERATIVE CARE SERVICES.**

32.5 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
 32.6 the meanings given.

32.7 (b) "Provider" means a recuperative care provider as defined by the standards established  
 32.8 by the National Institute for Medical Respite Care.

32.9 (c) "Recuperative care" means a model of care that prevents hospitalization or that  
 32.10 provides postacute medical care and support services for recipients experiencing  
 32.11 homelessness who are too ill or frail to recover from a physical illness or injury while living  
 32.12 in a shelter or are otherwise unhoused but who are not sick enough to be hospitalized or  
 32.13 remain hospitalized, or to need other levels of care.

32.14 Subd. 2. **Recuperative care settings.** Recuperative care may be provided in any setting,  
 32.15 including but not limited to homeless shelters, congregate care settings, single room  
 32.16 occupancy settings, or supportive housing, so long as the provider of recuperative care or  
 32.17 provider of housing is able to provide to the recipient within the designated setting, at a  
 32.18 minimum:

32.19 (1) 24-hour access to a bed and bathroom;

32.20 (2) access to three meals a day;

32.21 (3) availability to environmental services;

32.22 (4) access to a telephone;

32.23 (5) a secure place to store belongings; and

32.24 (6) staff available within the setting to provide a wellness check as needed, but at a  
 32.25 minimum, at least once every 24 hours.

32.26 Subd. 3. **Eligibility.** To be eligible for recuperative care service, a recipient must:

32.27 (1) be 21 years of age or older;

32.28 (2) be experiencing homelessness;

32.29 (3) be in need of short-term acute medical care for a period of no more than 60 days;



33.1 (4) meet clinical criteria, as established by the commissioner, that indicates that the  
33.2 recipient needs recuperative care; and

33.3 (5) not have behavioral health needs that are greater than what can be managed by the  
33.4 provider within the setting.

33.5 Subd. 4. **Total payment rates.** Total payment rates for recuperative care consist of the  
33.6 recuperative care services rate and the recuperative care facility rate.

33.7 Subd. 5. **Recuperative care services rate.** The recuperative care services rate is for the  
33.8 services provided to the recipient and must be a bundled daily per diem payment of at least  
33.9 \$300 per day. Services provided within the bundled payment may include but are not limited  
33.10 to:

33.11 (1) basic nursing care, including:

33.12 (i) monitoring a patient's physical health and pain level;

33.13 (ii) providing wound care;

33.14 (iii) medication support;

33.15 (iv) patient education;

33.16 (v) immunization review and update; and

33.17 (vi) establishing clinical goals for the recuperative care period and discharge plan;

33.18 (2) care coordination, including:

33.19 (i) initial assessment of medical, behavioral, and social needs;

33.20 (ii) development of a care plan;

33.21 (iii) support and referral assistance for legal services, housing, community social services,  
33.22 case management, health care benefits, health and other eligible benefits, and transportation  
33.23 needs and services; and

33.24 (iv) monitoring and follow-up to ensure that the care plan is effectively implemented to  
33.25 address the medical, behavioral, and social needs;

33.26 (3) basic behavioral needs, including counseling and peer support, that can be provided  
33.27 in this recuperative care setting; and

33.28 (4) services provided by a community health worker as defined under section 256B.0625,  
33.29 subdivision 49.

34.1 Subd. 6. **Recuperative care facility rate.** (a) The recuperative care facility rate is for  
 34.2 facility costs and must be paid from state money in an amount equal to the medical assistance  
 34.3 room and board rate at the time the recuperative care services were provided. The eligibility  
 34.4 standards in chapter 256I do not apply to the recuperative care facility rate. The recuperative  
 34.5 care facility rate is only paid when the recuperative care services rate is paid to a provider.  
 34.6 Providers may opt to only receive the recuperative care services rate.

34.7 (b) Before a recipient is discharged from a recuperative care setting, the provider must  
 34.8 ensure that the recipient's acute medical condition is stabilized or that the recipient is being  
 34.9 discharged to a setting that is able to meet that recipient's needs.

34.10 Subd. 7. **Extended stay.** If a recipient requires care exceeding the 60-day limit described  
 34.11 in subdivision 3, the provider may request in a format prescribed by the commissioner an  
 34.12 extension to continue payments until the recipient is discharged.

34.13 Subd. 8. **Report.** (a) The commissioner must submit an initial report to the chairs and  
 34.14 ranking minority members of the legislative committees having jurisdiction over health and  
 34.15 human services by February 1, 2025, and a final report by February 1, 2027, on coverage  
 34.16 of recuperative care services. The reports must include but are not limited to:

34.17 (1) a list of the recuperative care services in Minnesota and the number of recipients;

34.18 (2) the estimated return on investment, including health care savings due to reduced  
 34.19 hospitalizations;

34.20 (3) follow-up information, if available, on whether recipients' hospital visits decreased  
 34.21 since recuperative care services were provided compared to before the services were  
 34.22 provided; and

34.23 (4) any other information that can be used to determine the effectiveness of the program  
 34.24 and its funding, including recommendations for improvements to the program.

34.25 (b) This subdivision expires upon submission of the final report.

34.26 **EFFECTIVE DATE.** This section is effective January 1, 2024.

34.27 Sec. 25. Minnesota Statutes 2022, section 256B.196, subdivision 2, is amended to read:

34.28 Subd. 2. **Commissioner's duties.** (a) For the purposes of this subdivision and subdivision  
 34.29 3, the commissioner shall determine the fee-for-service outpatient hospital services upper  
 34.30 payment limit for nonstate government hospitals. The commissioner shall then determine  
 34.31 the amount of a supplemental payment to Hennepin County Medical Center and Regions  
 34.32 Hospital for these services that would increase medical assistance spending in this category

35.1 to the aggregate upper payment limit for all nonstate government hospitals in Minnesota.  
35.2 In making this determination, the commissioner shall allot the available increases between  
35.3 Hennepin County Medical Center and Regions Hospital based on the ratio of medical  
35.4 assistance fee-for-service outpatient hospital payments to the two facilities. The commissioner  
35.5 shall adjust this allotment as necessary based on federal approvals, the amount of  
35.6 intergovernmental transfers received from Hennepin and Ramsey Counties, and other factors,  
35.7 in order to maximize the additional total payments. The commissioner shall inform Hennepin  
35.8 County and Ramsey County of the periodic intergovernmental transfers necessary to match  
35.9 federal Medicaid payments available under this subdivision in order to make supplementary  
35.10 medical assistance payments to Hennepin County Medical Center and Regions Hospital  
35.11 equal to an amount that when combined with existing medical assistance payments to  
35.12 nonstate governmental hospitals would increase total payments to hospitals in this category  
35.13 for outpatient services to the aggregate upper payment limit for all hospitals in this category  
35.14 in Minnesota. Upon receipt of these periodic transfers, the commissioner shall make  
35.15 supplementary payments to Hennepin County Medical Center and Regions Hospital.

35.16 (b) For the purposes of this subdivision and subdivision 3, the commissioner shall  
35.17 determine an upper payment limit for physicians and other billing professionals affiliated  
35.18 with Hennepin County Medical Center and with Regions Hospital. The upper payment limit  
35.19 shall be based on the average commercial rate or be determined using another method  
35.20 acceptable to the Centers for Medicare and Medicaid Services. The commissioner shall  
35.21 inform Hennepin County and Ramsey County of the periodic intergovernmental transfers  
35.22 necessary to match the federal Medicaid payments available under this subdivision in order  
35.23 to make supplementary payments to physicians and other billing professionals affiliated  
35.24 with Hennepin County Medical Center and to make supplementary payments to physicians  
35.25 and other billing professionals affiliated with Regions Hospital through HealthPartners  
35.26 Medical Group equal to the difference between the established medical assistance payment  
35.27 for physician and other billing professional services and the upper payment limit. Upon  
35.28 receipt of these periodic transfers, the commissioner shall make supplementary payments  
35.29 to physicians and other billing professionals affiliated with Hennepin County Medical Center  
35.30 and shall make supplementary payments to physicians and other billing professionals  
35.31 affiliated with Regions Hospital through HealthPartners Medical Group.

35.32 (c) Beginning January 1, 2010, Ramsey County may make monthly voluntary  
35.33 intergovernmental transfers to the commissioner in amounts not to exceed \$6,000,000 per  
35.34 year. The commissioner shall increase the medical assistance capitation payments to any  
35.35 licensed health plan under contract with the medical assistance program that agrees to make

36.1 enhanced payments to Regions Hospital. The increase shall be in an amount equal to the  
36.2 annual value of the monthly transfers plus federal financial participation, with each health  
36.3 plan receiving its pro rata share of the increase based on the pro rata share of medical  
36.4 assistance admissions to Regions Hospital by those plans. For the purposes of this paragraph,  
36.5 "the base amount" means the total annual value of increased medical assistance capitation  
36.6 payments, including the voluntary intergovernmental transfers, under this paragraph in  
36.7 calendar year 2017. For managed care contracts beginning on or after January 1, 2018, the  
36.8 commissioner shall reduce the total annual value of increased medical assistance capitation  
36.9 payments under this paragraph by an amount equal to ten percent of the base amount, and  
36.10 by an additional ten percent of the base amount for each subsequent contract year until  
36.11 December 31, 2025. Upon the request of the commissioner, health plans shall submit  
36.12 individual-level cost data for verification purposes. The commissioner may ratably reduce  
36.13 these payments on a pro rata basis in order to satisfy federal requirements for actuarial  
36.14 soundness. If payments are reduced, transfers shall be reduced accordingly. Any licensed  
36.15 health plan that receives increased medical assistance capitation payments under the  
36.16 intergovernmental transfer described in this paragraph shall increase its medical assistance  
36.17 payments to Regions Hospital by the same amount as the increased payments received in  
36.18 the capitation payment described in this paragraph. This paragraph expires January 1, 2026.

36.19 (d) For the purposes of this subdivision and subdivision 3, the commissioner shall  
36.20 determine an upper payment limit for ambulance services affiliated with Hennepin County  
36.21 Medical Center and the city of St. Paul, and ambulance services owned and operated by  
36.22 another governmental entity that chooses to participate by requesting the commissioner to  
36.23 determine an upper payment limit. The upper payment limit shall be based on the average  
36.24 commercial rate or be determined using another method acceptable to the Centers for  
36.25 Medicare and Medicaid Services. The commissioner shall inform Hennepin County, the  
36.26 city of St. Paul, and other participating governmental entities of the periodic  
36.27 intergovernmental transfers necessary to match the federal Medicaid payments available  
36.28 under this subdivision in order to make supplementary payments to Hennepin County  
36.29 Medical Center, the city of St. Paul, and other participating governmental entities equal to  
36.30 the difference between the established medical assistance payment for ambulance services  
36.31 and the upper payment limit. Upon receipt of these periodic transfers, the commissioner  
36.32 shall make supplementary payments to Hennepin County Medical Center, the city of St.  
36.33 Paul, and other participating governmental entities. A Tribal government that owns and  
36.34 operates an ambulance service is not eligible to participate under this subdivision.

37.1 (e) For the purposes of this subdivision and subdivision 3, the commissioner shall  
37.2 determine an upper payment limit for physicians, dentists, and other billing professionals  
37.3 affiliated with the University of Minnesota and University of Minnesota Physicians. The  
37.4 upper payment limit shall be based on the average commercial rate or be determined using  
37.5 another method acceptable to the Centers for Medicare and Medicaid Services. The  
37.6 commissioner shall inform the University of Minnesota Medical School and University of  
37.7 Minnesota School of Dentistry of the periodic intergovernmental transfers necessary to  
37.8 match the federal Medicaid payments available under this subdivision in order to make  
37.9 supplementary payments to physicians, dentists, and other billing professionals affiliated  
37.10 with the University of Minnesota and the University of Minnesota Physicians equal to the  
37.11 difference between the established medical assistance payment for physician, dentist, and  
37.12 other billing professional services and the upper payment limit. Upon receipt of these periodic  
37.13 transfers, the commissioner shall make supplementary payments to physicians, dentists,  
37.14 and other billing professionals affiliated with the University of Minnesota and the University  
37.15 of Minnesota Physicians.

37.16 (f) The commissioner shall inform the transferring governmental entities on an ongoing  
37.17 basis of the need for any changes needed in the intergovernmental transfers in order to  
37.18 continue the payments under paragraphs (a) to (e), at their maximum level, including  
37.19 increases in upper payment limits, changes in the federal Medicaid match, and other factors.

37.20 (g) The payments in paragraphs (a) to (e) shall be implemented independently of each  
37.21 other, subject to federal approval and to the receipt of transfers under subdivision 3.

37.22 (h) All of the data and funding transactions related to the payments in paragraphs (a) to  
37.23 (e) shall be between the commissioner and the governmental entities. The commissioner  
37.24 shall not make payments to governmental entities eligible to receive payments described  
37.25 in paragraphs (a) to (e) that fail to submit the data needed to compute the payments within  
37.26 24 months of the initial request from the commissioner.

37.27 (i) For purposes of this subdivision, billing professionals are limited to physicians, nurse  
37.28 practitioners, nurse midwives, clinical nurse specialists, physician assistants,  
37.29 anesthesiologists, certified registered nurse anesthetists, dentists, dental hygienists, and  
37.30 dental therapists.

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

38.1 Sec. 26. Minnesota Statutes 2022, section 256B.69, subdivision 4, is amended to read:

38.2 Subd. 4. **Limitation of choice; opportunity to opt out.** (a) The commissioner shall  
38.3 develop criteria to determine when limitation of choice may be implemented in the  
38.4 experimental counties, but shall provide all eligible individuals the opportunity to opt out  
38.5 of enrollment in managed care under this section. The criteria shall ensure that all eligible  
38.6 individuals in the county have continuing access to the full range of medical assistance  
38.7 services as specified in subdivision 6.

38.8 (b) The commissioner shall exempt the following persons from participation in the  
38.9 project, in addition to those who do not meet the criteria for limitation of choice:

38.10 (1) persons eligible for medical assistance according to section 256B.055, subdivision  
38.11 1;

38.12 (2) persons eligible for medical assistance due to blindness or disability as determined  
38.13 by the Social Security Administration or the state medical review team, unless:

38.14 (i) they are 65 years of age or older; or

38.15 (ii) they reside in Itasca County or they reside in a county in which the commissioner  
38.16 conducts a pilot project under a waiver granted pursuant to section 1115 of the Social  
38.17 Security Act;

38.18 (3) recipients who currently have private coverage through a health maintenance  
38.19 organization;

38.20 (4) recipients who are eligible for medical assistance by spending down excess income  
38.21 for medical expenses other than the nursing facility per diem expense;

38.22 (5) recipients who receive benefits under the Refugee Assistance Program, established  
38.23 under United States Code, title 8, section 1522(e);

38.24 (6) children who are both determined to be severely emotionally disturbed and receiving  
38.25 case management services according to section 256B.0625, subdivision 20, except children  
38.26 who are eligible for and who decline enrollment in an approved preferred integrated network  
38.27 under section 245.4682;

38.28 (7) adults who are both determined to be seriously and persistently mentally ill and  
38.29 received case management services according to section 256B.0625, subdivision 20;

38.30 (8) persons eligible for medical assistance according to section 256B.057, subdivision  
38.31 10;

39.1 (9) persons with access to cost-effective employer-sponsored private health insurance  
39.2 or persons enrolled in a non-Medicare individual health plan determined to be cost-effective  
39.3 according to section 256B.0625, subdivision 15; and

39.4 (10) persons who are absent from the state for more than 30 consecutive days but still  
39.5 deemed a resident of Minnesota, identified in accordance with section 256B.056, subdivision  
39.6 1, paragraph (b).

39.7 Children under age 21 who are in foster placement may enroll in the project on an elective  
39.8 basis. Individuals excluded under clauses (1), (6), and (7) may choose to enroll on an elective  
39.9 basis. The commissioner may enroll recipients in the prepaid medical assistance program  
39.10 for seniors who are (1) age 65 and over, and (2) eligible for medical assistance by spending  
39.11 down excess income.

39.12 (c) The commissioner may allow persons with a one-month spenddown who are otherwise  
39.13 eligible to enroll to voluntarily enroll or remain enrolled, if they elect to prepay their monthly  
39.14 spenddown to the state.

39.15 (d) The commissioner may require, subject to the opt-out provision under paragraph (a),  
39.16 those individuals to enroll in the prepaid medical assistance program who otherwise would  
39.17 have been excluded under paragraph (b), clauses (1), (3), and (8), and under Minnesota  
39.18 Rules, part 9500.1452, subpart 2, items H, K, and L.

39.19 (e) Before limitation of choice is implemented, eligible individuals shall be notified and  
39.20 given the opportunity to opt out of managed care enrollment. After notification, those  
39.21 individuals who choose not to opt out shall be allowed to choose only among demonstration  
39.22 providers. The commissioner may assign an individual with private coverage through a  
39.23 health maintenance organization, to the same health maintenance organization for medical  
39.24 assistance coverage, if the health maintenance organization is under contract for medical  
39.25 assistance in the individual's county of residence. After initially choosing a provider, the  
39.26 recipient is allowed to change that choice only at specified times as allowed by the  
39.27 commissioner. If a demonstration provider ends participation in the project for any reason,  
39.28 a recipient enrolled with that provider must select a new provider but may change providers  
39.29 without cause once more within the first 60 days after enrollment with the second provider.

39.30 (f) An infant born to a woman who is eligible for and receiving medical assistance and  
39.31 who is enrolled in the prepaid medical assistance program shall be retroactively enrolled to  
39.32 the month of birth in the same managed care plan as the mother once the child is enrolled  
39.33 in medical assistance unless the child is determined to be excluded from enrollment in a  
39.34 prepaid plan under this section.

40.1 **EFFECTIVE DATE.** This section is effective January 1, 2024.

40.2 Sec. 27. Minnesota Statutes 2022, section 256B.69, subdivision 5a, is amended to read:

40.3 Subd. 5a. **Managed care contracts.** (a) Managed care contracts under this section and  
40.4 section 256L.12 shall be entered into or renewed on a calendar year basis. The commissioner  
40.5 may issue separate contracts with requirements specific to services to medical assistance  
40.6 recipients age 65 and older.

40.7 (b) A prepaid health plan providing covered health services for eligible persons pursuant  
40.8 to chapters 256B and 256L is responsible for complying with the terms of its contract with  
40.9 the commissioner. Requirements applicable to managed care programs under chapters 256B  
40.10 and 256L established after the effective date of a contract with the commissioner take effect  
40.11 when the contract is next issued or renewed.

40.12 (c) The commissioner shall withhold five percent of managed care plan payments under  
40.13 this section and county-based purchasing plan payments under section 256B.692 for the  
40.14 prepaid medical assistance program pending completion of performance targets. Each  
40.15 performance target must be quantifiable, objective, measurable, and reasonably attainable,  
40.16 except in the case of a performance target based on a federal or state law or rule. Criteria  
40.17 for assessment of each performance target must be outlined in writing prior to the contract  
40.18 effective date. Clinical or utilization performance targets and their related criteria must  
40.19 consider evidence-based research and reasonable interventions when available or applicable  
40.20 to the populations served, and must be developed with input from external clinical experts  
40.21 and stakeholders, including managed care plans, county-based purchasing plans, and  
40.22 providers. The managed care or county-based purchasing plan must demonstrate, to the  
40.23 commissioner's satisfaction, that the data submitted regarding attainment of the performance  
40.24 target is accurate. The commissioner shall periodically change the administrative measures  
40.25 used as performance targets in order to improve plan performance across a broader range  
40.26 of administrative services. The performance targets must include measurement of plan  
40.27 efforts to contain spending on health care services and administrative activities. The  
40.28 commissioner may adopt plan-specific performance targets that take into account factors  
40.29 affecting only one plan, including characteristics of the plan's enrollee population. The  
40.30 withheld funds must be returned no sooner than July of the following year if performance  
40.31 targets in the contract are achieved. The commissioner may exclude special demonstration  
40.32 projects under subdivision 23.

40.33 (d) The commissioner shall require that managed care plans:



41.1 (1) use the assessment and authorization processes, forms, timelines, standards,  
41.2 documentation, and data reporting requirements, protocols, billing processes, and policies  
41.3 consistent with medical assistance fee-for-service or the Department of Human Services  
41.4 contract requirements for all personal care assistance services under section 256B.0659 and  
41.5 community first services and supports under section 256B.85; and

41.6 (2) by January 30 of each year that follows a rate increase for any aspect of services  
41.7 under section 256B.0659 or 256B.85, inform the commissioner and the chairs and ranking  
41.8 minority members of the legislative committees with jurisdiction over rates determined  
41.9 under section 256B.851 of the amount of the rate increase that is paid to each personal care  
41.10 assistance provider agency with which the plan has a contract.

41.11 ~~(e) Effective for services rendered on or after January 1, 2012, the commissioner shall~~  
41.12 ~~include as part of the performance targets described in paragraph (c) a reduction in the health~~  
41.13 ~~plan's emergency department utilization rate for medical assistance and MinnesotaCare~~  
41.14 ~~enrollees, as determined by the commissioner. For 2012, the reduction shall be based on~~  
41.15 ~~the health plan's utilization in 2009. To earn the return of the withhold each subsequent~~  
41.16 ~~year, the managed care plan or county based purchasing plan must achieve a qualifying~~  
41.17 ~~reduction of no less than ten percent of the plan's emergency department utilization rate for~~  
41.18 ~~medical assistance and MinnesotaCare enrollees, excluding enrollees in programs described~~  
41.19 ~~in subdivisions 23 and 28, compared to the previous measurement year until the final~~  
41.20 ~~performance target is reached. When measuring performance, the commissioner must~~  
41.21 ~~consider the difference in health risk in a managed care or county based purchasing plan's~~  
41.22 ~~membership in the baseline year compared to the measurement year, and work with the~~  
41.23 ~~managed care or county based purchasing plan to account for differences that they agree~~  
41.24 ~~are significant.~~

41.25 ~~The withheld funds must be returned no sooner than July 1 and no later than July 31 of~~  
41.26 ~~the following calendar year if the managed care plan or county based purchasing plan~~  
41.27 ~~demonstrates to the satisfaction of the commissioner that a reduction in the utilization rate~~  
41.28 ~~was achieved. The commissioner shall structure the withhold so that the commissioner~~  
41.29 ~~returns a portion of the withheld funds in amounts commensurate with achieved reductions~~  
41.30 ~~in utilization less than the targeted amount.~~

41.31 ~~The withhold described in this paragraph shall continue for each consecutive contract~~  
41.32 ~~period until the plan's emergency room utilization rate for state health care program enrollees~~  
41.33 ~~is reduced by 25 percent of the plan's emergency room utilization rate for medical assistance~~  
41.34 ~~and MinnesotaCare enrollees for calendar year 2009. Hospitals shall cooperate with the~~

42.1 ~~health plans in meeting this performance target and shall accept payment withholds that~~  
42.2 ~~may be returned to the hospitals if the performance target is achieved.~~

42.3 ~~(f) Effective for services rendered on or after January 1, 2012, the commissioner shall~~  
42.4 ~~include as part of the performance targets described in paragraph (c) a reduction in the plan's~~  
42.5 ~~hospitalization admission rate for medical assistance and MinnesotaCare enrollees, as~~  
42.6 ~~determined by the commissioner. To earn the return of the withhold each year, the managed~~  
42.7 ~~care plan or county-based purchasing plan must achieve a qualifying reduction of no less~~  
42.8 ~~than five percent of the plan's hospital admission rate for medical assistance and~~  
42.9 ~~MinnesotaCare enrollees, excluding enrollees in programs described in subdivisions 23 and~~  
42.10 ~~28, compared to the previous calendar year until the final performance target is reached.~~  
42.11 ~~When measuring performance, the commissioner must consider the difference in health risk~~  
42.12 ~~in a managed care or county-based purchasing plan's membership in the baseline year~~  
42.13 ~~compared to the measurement year, and work with the managed care or county-based~~  
42.14 ~~purchasing plan to account for differences that they agree are significant.~~

42.15 ~~The withheld funds must be returned no sooner than July 1 and no later than July 31 of~~  
42.16 ~~the following calendar year if the managed care plan or county-based purchasing plan~~  
42.17 ~~demonstrates to the satisfaction of the commissioner that this reduction in the hospitalization~~  
42.18 ~~rate was achieved. The commissioner shall structure the withhold so that the commissioner~~  
42.19 ~~returns a portion of the withheld funds in amounts commensurate with achieved reductions~~  
42.20 ~~in utilization less than the targeted amount.~~

42.21 ~~The withhold described in this paragraph shall continue until there is a 25 percent~~  
42.22 ~~reduction in the hospital admission rate compared to the hospital admission rates in calendar~~  
42.23 ~~year 2011, as determined by the commissioner. The hospital admissions in this performance~~  
42.24 ~~target do not include the admissions applicable to the subsequent hospital admission~~  
42.25 ~~performance target under paragraph (g). Hospitals shall cooperate with the plans in meeting~~  
42.26 ~~this performance target and shall accept payment withholds that may be returned to the~~  
42.27 ~~hospitals if the performance target is achieved.~~

42.28 ~~(g) Effective for services rendered on or after January 1, 2012, the commissioner shall~~  
42.29 ~~include as part of the performance targets described in paragraph (c) a reduction in the plan's~~  
42.30 ~~hospitalization admission rates for subsequent hospitalizations within 30 days of a previous~~  
42.31 ~~hospitalization of a patient regardless of the reason, for medical assistance and MinnesotaCare~~  
42.32 ~~enrollees, as determined by the commissioner. To earn the return of the withhold each year,~~  
42.33 ~~the managed care plan or county-based purchasing plan must achieve a qualifying reduction~~  
42.34 ~~of the subsequent hospitalization rate for medical assistance and MinnesotaCare enrollees,~~

43.1 ~~excluding enrollees in programs described in subdivisions 23 and 28, of no less than five~~  
 43.2 ~~percent compared to the previous calendar year until the final performance target is reached.~~

43.3 ~~The withheld funds must be returned no sooner than July 1 and no later than July 31 of~~  
 43.4 ~~the following calendar year if the managed care plan or county-based purchasing plan~~  
 43.5 ~~demonstrates to the satisfaction of the commissioner that a qualifying reduction in the~~  
 43.6 ~~subsequent hospitalization rate was achieved. The commissioner shall structure the withhold~~  
 43.7 ~~so that the commissioner returns a portion of the withheld funds in amounts commensurate~~  
 43.8 ~~with achieved reductions in utilization less than the targeted amount.~~

43.9 ~~The withhold described in this paragraph must continue for each consecutive contract~~  
 43.10 ~~period until the plan's subsequent hospitalization rate for medical assistance and~~  
 43.11 ~~MinnesotaCare enrollees, excluding enrollees in programs described in subdivisions 23 and~~  
 43.12 ~~28, is reduced by 25 percent of the plan's subsequent hospitalization rate for calendar year~~  
 43.13 ~~2011. Hospitals shall cooperate with the plans in meeting this performance target and shall~~  
 43.14 ~~accept payment withholds that must be returned to the hospitals if the performance target~~  
 43.15 ~~is achieved.~~

43.16 ~~(h)~~ (e) Effective for services rendered on or after January 1, 2013, through December  
 43.17 31, 2013, the commissioner shall withhold 4.5 percent of managed care plan payments under  
 43.18 this section and county-based purchasing plan payments under section 256B.692 for the  
 43.19 prepaid medical assistance program. The withheld funds must be returned no sooner than  
 43.20 July 1 and no later than July 31 of the following year. The commissioner may exclude  
 43.21 special demonstration projects under subdivision 23.

43.22 ~~(i)~~ (f) Effective for services rendered on or after January 1, 2014, the commissioner shall  
 43.23 withhold three percent of managed care plan payments under this section and county-based  
 43.24 purchasing plan payments under section 256B.692 for the prepaid medical assistance  
 43.25 program. The withheld funds must be returned no sooner than July 1 and no later than July  
 43.26 31 of the following year. The commissioner may exclude special demonstration projects  
 43.27 under subdivision 23.

43.28 ~~(j)~~ (g) A managed care plan or a county-based purchasing plan under section 256B.692  
 43.29 may include as admitted assets under section 62D.044 any amount withheld under this  
 43.30 section that is reasonably expected to be returned.

43.31 ~~(k)~~ (h) Contracts between the commissioner and a prepaid health plan are exempt from  
 43.32 the set-aside and preference provisions of section 16C.16, subdivisions 6, paragraph (a),  
 43.33 and 7.

44.1 ~~(i)~~ (i) The return of the withhold under paragraphs (h) and (i) is not subject to the  
44.2 requirements of paragraph (c).

44.3 ~~(j)~~ (j) Managed care plans and county-based purchasing plans shall maintain current  
44.4 and fully executed agreements for all subcontractors, including bargaining groups, for  
44.5 administrative services that are expensed to the state's public health care programs.  
44.6 Subcontractor agreements determined to be material, as defined by the commissioner after  
44.7 taking into account state contracting and relevant statutory requirements, must be in the  
44.8 form of a written instrument or electronic document containing the elements of offer,  
44.9 acceptance, consideration, payment terms, scope, duration of the contract, and how the  
44.10 subcontractor services relate to state public health care programs. Upon request, the  
44.11 commissioner shall have access to all subcontractor documentation under this paragraph.  
44.12 Nothing in this paragraph shall allow release of information that is nonpublic data pursuant  
44.13 to section 13.02.

44.14 **EFFECTIVE DATE.** This section is effective January 1, 2025.

44.15 Sec. 28. Minnesota Statutes 2022, section 256B.69, subdivision 6d, is amended to read:

44.16 Subd. 6d. **Prescription drugs.** (a) The commissioner ~~may~~ shall exclude or modify  
44.17 coverage for outpatient prescription drugs dispensed by a pharmacy to a medical assistance  
44.18 enrollee from the prepaid managed care contracts entered into under this section in order  
44.19 to increase savings to the state by collecting additional prescription drug rebates. The  
44.20 contracts must maintain incentives for the managed care plan to manage drug costs and  
44.21 utilization and may require that the managed care plans maintain an open drug formulary.  
44.22 In order to manage drug costs and utilization, the contracts may authorize the managed care  
44.23 plans to use preferred drug lists and prior authorization. This subdivision is contingent on  
44.24 federal approval of the managed care contract changes and the collection of additional  
44.25 prescription drug rebates. The commissioner may include, exclude, or modify coverage for  
44.26 outpatient prescription drugs dispensed by a pharmacy and administered to a MinnesotaCare  
44.27 enrollee from the prepaid managed care contracts entered into under this section.

44.28 (b) Managed care plans and county-based purchasing plans shall reimburse pharmacies  
44.29 for drug costs at a level not to exceed the reimbursement rate in section 256B.0625,  
44.30 subdivision 13e, paragraphs (a), (d), and (f), excluding the 340B drug program ceiling price  
44.31 limit, and shall pay a dispensing fee equal to one-half of the fee-for-service dispensing fee  
44.32 in section 256B.0625, subdivision 13e, paragraph (a), for outpatient drugs dispensed to  
44.33 enrollees. Contracts between managed care plans and county-based purchasing plans and  
44.34 providers to whom this paragraph applies must allow recovery of payments from those

45.1 providers if capitation rates are adjusted in accordance with this paragraph. Payment  
45.2 recoveries must not exceed an amount equal to any increase in rates that results from this  
45.3 provision. This paragraph shall not be implemented if federal approval is not received for  
45.4 this paragraph, or if federal approval is withdrawn at any time.

45.5 **EFFECTIVE DATE.** The amendments to paragraph (a) are effective January 1, 2026,  
45.6 or the January 1 following certification of the modernized pharmacy claims processing  
45.7 system, whichever is later. Paragraph (b) is effective January 1, 2024, or upon federal  
45.8 approval, whichever is later. The commissioner must inform the revisor of statutes when  
45.9 federal approval is obtained and when certification of the modernized pharmacy claims  
45.10 processing system occurs.

45.11 Sec. 29. Minnesota Statutes 2022, section 256B.69, subdivision 28, is amended to read:

45.12 Subd. 28. **Medicare special needs plans; medical assistance basic health care.** (a)  
45.13 The commissioner may contract with demonstration providers and current or former sponsors  
45.14 of qualified Medicare-approved special needs plans, to provide medical assistance basic  
45.15 health care services to persons with disabilities, including those with developmental  
45.16 disabilities. Basic health care services include:

45.17 (1) those services covered by the medical assistance state plan except for ICF/DD services,  
45.18 home and community-based waiver services, case management for persons with  
45.19 developmental disabilities under section 256B.0625, subdivision 20a, and personal care and  
45.20 certain home care services defined by the commissioner in consultation with the stakeholder  
45.21 group established under paragraph (d); and

45.22 (2) basic health care services may also include risk for up to 100 days of nursing facility  
45.23 services for persons who reside in a noninstitutional setting and home health services related  
45.24 to rehabilitation as defined by the commissioner after consultation with the stakeholder  
45.25 group.

45.26 The commissioner may exclude other medical assistance services from the basic health  
45.27 care benefit set. Enrollees in these plans can access any excluded services on the same basis  
45.28 as other medical assistance recipients who have not enrolled.

45.29 (b) The commissioner may contract with demonstration providers and current and former  
45.30 sponsors of qualified Medicare special needs plans, to provide basic health care services  
45.31 under medical assistance to persons who are dually eligible for both Medicare and Medicaid  
45.32 and those Social Security beneficiaries eligible for Medicaid but in the waiting period for  
45.33 Medicare. The commissioner shall consult with the stakeholder group under paragraph (d)

46.1 in developing program specifications for these services. Payment for Medicaid services  
 46.2 provided under this subdivision for the months of May and June will be made no earlier  
 46.3 than July 1 of the same calendar year.

46.4 (c) ~~Notwithstanding subdivision 4, beginning January 1, 2012,~~ The commissioner shall  
 46.5 enroll persons with disabilities in managed care under this section, unless the individual  
 46.6 chooses to opt out of enrollment. The commissioner shall establish enrollment and opt out  
 46.7 procedures consistent with applicable enrollment procedures under this section.

46.8 (d) The commissioner shall establish a state-level stakeholder group to provide advice  
 46.9 on managed care programs for persons with disabilities, including both MnDHO and contracts  
 46.10 with special needs plans that provide basic health care services as described in paragraphs  
 46.11 (a) and (b). The stakeholder group shall provide advice on program expansions under this  
 46.12 subdivision and subdivision 23, including:

46.13 (1) implementation efforts;

46.14 (2) consumer protections; and

46.15 (3) program specifications such as quality assurance measures, data collection and  
 46.16 reporting, and evaluation of costs, quality, and results.

46.17 (e) Each plan under contract to provide medical assistance basic health care services  
 46.18 shall establish a local or regional stakeholder group, including representatives of the counties  
 46.19 covered by the plan, members, consumer advocates, and providers, for advice on issues that  
 46.20 arise in the local or regional area.

46.21 (f) The commissioner is prohibited from providing the names of potential enrollees to  
 46.22 health plans for marketing purposes. The commissioner shall mail no more than two sets  
 46.23 of marketing materials per contract year to potential enrollees on behalf of health plans, at  
 46.24 the health plan's request. The marketing materials shall be mailed by the commissioner  
 46.25 within 30 days of receipt of these materials from the health plan. The health plans shall  
 46.26 cover any costs incurred by the commissioner for mailing marketing materials.

46.27 **EFFECTIVE DATE.** This section is effective January 1, 2024.

46.28 Sec. 30. Minnesota Statutes 2022, section 256B.69, subdivision 36, is amended to read:

46.29 Subd. 36. **Enrollee support system.** (a) The commissioner shall establish an enrollee  
 46.30 support system that provides support to an enrollee before and during enrollment in a  
 46.31 managed care plan.

46.32 (b) The enrollee support system must:

47.1 (1) provide access to counseling for each potential enrollee on choosing a managed care  
47.2 plan or opting out of managed care;

47.3 (2) assist an enrollee in understanding enrollment in a managed care plan;

47.4 (3) provide an access point for complaints regarding enrollment, covered services, and  
47.5 other related matters;

47.6 (4) provide information on an enrollee's grievance and appeal rights within the managed  
47.7 care organization and the state's fair hearing process, including an enrollee's rights and  
47.8 responsibilities; and

47.9 (5) provide assistance to an enrollee, upon request, in navigating the grievance and  
47.10 appeals process within the managed care organization and in appealing adverse benefit  
47.11 determinations made by the managed care organization to the state's fair hearing process  
47.12 after the managed care organization's internal appeals process has been exhausted. Assistance  
47.13 does not include providing representation to an enrollee at the state's fair hearing, but may  
47.14 include a referral to appropriate legal representation sources.

47.15 (c) Outreach to enrollees through the support system must be accessible to an enrollee  
47.16 through multiple formats, including telephone, Internet, in-person, and, if requested, through  
47.17 auxiliary aids and services.

47.18 (d) The commissioner may designate enrollment brokers to assist enrollees on selecting  
47.19 a managed care organization and providing necessary enrollment information. For purposes  
47.20 of this subdivision, "enrollment broker" means an individual or entity that performs choice  
47.21 counseling or enrollment activities in accordance with Code of Federal Regulations, part  
47.22 42, section 438.810, or both.

47.23 **EFFECTIVE DATE.** This section is effective January 1, 2024.

47.24 Sec. 31. Minnesota Statutes 2022, section 256B.692, subdivision 1, is amended to read:

47.25 Subdivision 1. **In general.** County boards or groups of county boards may elect to  
47.26 purchase or provide health care services on behalf of persons eligible for medical assistance  
47.27 who would otherwise be required to or may elect to participate in the prepaid medical  
47.28 assistance program according to section 256B.69, subject to the opt-out provision of section  
47.29 256B.69, subdivision 4, paragraph (a). Counties that elect to purchase or provide health  
47.30 care under this section must provide all services included in prepaid managed care programs  
47.31 according to section 256B.69, subdivisions 1 to 22. County-based purchasing under this  
47.32 section is governed by section 256B.69, unless otherwise provided for under this section.

48.1 **EFFECTIVE DATE.** This section is effective January 1, 2024.

48.2 Sec. 32. Minnesota Statutes 2022, section 256B.75, is amended to read:

48.3 **256B.75 HOSPITAL OUTPATIENT REIMBURSEMENT.**

48.4 (a) For outpatient hospital facility fee payments for services rendered on or after October  
48.5 1, 1992, the commissioner of human services shall pay the lower of (1) submitted charge,  
48.6 or (2) 32 percent above the rate in effect on June 30, 1992, except for those services for  
48.7 which there is a federal maximum allowable payment. Effective for services rendered on  
48.8 or after January 1, 2000, payment rates for nonsurgical outpatient hospital facility fees and  
48.9 emergency room facility fees shall be increased by eight percent over the rates in effect on  
48.10 December 31, 1999, except for those services for which there is a federal maximum allowable  
48.11 payment. Services for which there is a federal maximum allowable payment shall be paid  
48.12 at the lower of (1) submitted charge, or (2) the federal maximum allowable payment. Total  
48.13 aggregate payment for outpatient hospital facility fee services shall not exceed the Medicare  
48.14 upper limit. If it is determined that a provision of this section conflicts with existing or  
48.15 future requirements of the United States government with respect to federal financial  
48.16 participation in medical assistance, the federal requirements prevail. The commissioner  
48.17 may, in the aggregate, prospectively reduce payment rates to avoid reduced federal financial  
48.18 participation resulting from rates that are in excess of the Medicare upper limitations.

48.19 (b) Notwithstanding paragraph (a), payment for outpatient, emergency, and ambulatory  
48.20 surgery hospital facility fee services for critical access hospitals designated under section  
48.21 144.1483, clause (9), shall be paid on a cost-based payment system that is based on the  
48.22 cost-finding methods and allowable costs of the Medicare program. Effective for services  
48.23 provided on or after July 1, 2015, rates established for critical access hospitals under this  
48.24 paragraph for the applicable payment year shall be the final payment and shall not be settled  
48.25 to actual costs. Effective for services delivered on or after the first day of the hospital's fiscal  
48.26 year ending in 2017, the rate for outpatient hospital services shall be computed using  
48.27 information from each hospital's Medicare cost report as filed with Medicare for the year  
48.28 that is two years before the year that the rate is being computed. Rates shall be computed  
48.29 using information from Worksheet C series until the department finalizes the medical  
48.30 assistance cost reporting process for critical access hospitals. After the cost reporting process  
48.31 is finalized, rates shall be computed using information from Title XIX Worksheet D series.  
48.32 The outpatient rate shall be equal to ancillary cost plus outpatient cost, excluding costs  
48.33 related to rural health clinics and federally qualified health clinics, divided by ancillary



49.1 charges plus outpatient charges, excluding charges related to rural health clinics and federally  
49.2 qualified health clinics.

49.3 (c) The rate described in paragraph (b) must be increased for hospitals providing high  
49.4 levels of 340B drugs. The rate adjustment must be based on four percent of each hospital's  
49.5 share of the total reimbursement for 340B drugs to all critical access hospitals, but must not  
49.6 exceed \$3,000,000.

49.7 ~~(e)~~ (d) Effective for services provided on or after July 1, 2003, rates that are based on  
49.8 the Medicare outpatient prospective payment system shall be replaced by a budget neutral  
49.9 prospective payment system that is derived using medical assistance data. The commissioner  
49.10 shall provide a proposal to the 2003 legislature to define and implement this provision.  
49.11 When implementing prospective payment methodologies, the commissioner shall use general  
49.12 methods and rate calculation parameters similar to the applicable Medicare prospective  
49.13 payment systems for services delivered in outpatient hospital and ambulatory surgical center  
49.14 settings unless other payment methodologies for these services are specified in this chapter.

49.15 ~~(d)~~ (e) For fee-for-service services provided on or after July 1, 2002, the total payment,  
49.16 before third-party liability and spenddown, made to hospitals for outpatient hospital facility  
49.17 services is reduced by .5 percent from the current statutory rate.

49.18 ~~(e)~~ (f) In addition to the reduction in paragraph (d), the total payment for fee-for-service  
49.19 services provided on or after July 1, 2003, made to hospitals for outpatient hospital facility  
49.20 services before third-party liability and spenddown, is reduced five percent from the current  
49.21 statutory rates. Facilities defined under section 256.969, subdivision 16, are excluded from  
49.22 this paragraph.

49.23 ~~(f)~~ (g) In addition to the reductions in paragraphs (d) and (e), the total payment for  
49.24 fee-for-service services provided on or after July 1, 2008, made to hospitals for outpatient  
49.25 hospital facility services before third-party liability and spenddown, is reduced three percent  
49.26 from the current statutory rates. Mental health services and facilities defined under section  
49.27 256.969, subdivision 16, are excluded from this paragraph.

49.28 **EFFECTIVE DATE.** This section is effective January 1, 2026, or the January 1  
49.29 following certification of the modernized pharmacy claims processing system, whichever  
49.30 is later. The commissioner of human services shall notify the revisor of statutes when  
49.31 certification of the modernized pharmacy claims processing system occurs.

50.1 Sec. 33. Minnesota Statutes 2022, section 256B.758, is amended to read:

50.2 **256B.758 REIMBURSEMENT FOR DOULA SERVICES.**

50.3 (a) Effective for services provided on or after July 1, 2019, through December 31, 2023,  
 50.4 payments for doula services provided by a certified doula shall be \$47 per prenatal or  
 50.5 postpartum visit and \$488 for attending and providing doula services at a birth.

50.6 (b) Effective for services provided on or after January 1, 2024, payments for doula  
 50.7 services provided by a certified doula are \$100 per prenatal or postpartum visit and \$1,400  
 50.8 for attending and providing doula services at birth.

50.9 **EFFECTIVE DATE.** This section is effective January 1, 2024.

50.10 Sec. 34. Minnesota Statutes 2022, section 256B.76, subdivision 1, is amended to read:

50.11 Subdivision 1. **Physician reimbursement.** (a) Effective for services rendered on or after  
 50.12 October 1, 1992, the commissioner shall make payments for physician services as follows:

50.13 (1) payment for level one Centers for Medicare and Medicaid Services' common  
 50.14 procedural coding system codes titled "office and other outpatient services," "preventive  
 50.15 medicine new and established patient," "delivery, antepartum, and postpartum care," "critical  
 50.16 care," cesarean delivery and pharmacologic management provided to psychiatric patients,  
 50.17 and level three codes for enhanced services for prenatal high risk, shall be paid at the lower  
 50.18 of (i) submitted charges, or (ii) 25 percent above the rate in effect on June 30, 1992;

50.19 (2) payments for all other services shall be paid at the lower of (i) submitted charges,  
 50.20 or (ii) 15.4 percent above the rate in effect on June 30, 1992; and

50.21 (3) all physician rates shall be converted from the 50th percentile of 1982 to the 50th  
 50.22 percentile of 1989, less the percent in aggregate necessary to equal the above increases  
 50.23 except that payment rates for home health agency services shall be the rates in effect on  
 50.24 September 30, 1992.

50.25 (b) Effective for services rendered on or after January 1, 2000, payment rates for physician  
 50.26 and professional services shall be increased by three percent over the rates in effect on  
 50.27 December 31, 1999, except for home health agency and family planning agency services.  
 50.28 The increases in this paragraph shall be implemented January 1, 2000, for managed care.

50.29 (c) Effective for services rendered on or after July 1, 2009, payment rates for physician  
 50.30 and professional services shall be reduced by five percent, except that for the period July  
 50.31 1, 2009, through June 30, 2010, payment rates shall be reduced by 6.5 percent for the medical  
 50.32 assistance and general assistance medical care programs, over the rates in effect on June

51.1 30, 2009. This reduction and the reductions in paragraph (d) do not apply to office or other  
51.2 outpatient visits, preventive medicine visits and family planning visits billed by physicians,  
51.3 advanced practice nurses, or physician assistants in a family planning agency or in one of  
51.4 the following primary care practices: general practice, general internal medicine, general  
51.5 pediatrics, general geriatrics, and family medicine. This reduction and the reductions in  
51.6 paragraph (d) do not apply to federally qualified health centers, rural health centers, and  
51.7 Indian health services. Effective October 1, 2009, payments made to managed care plans  
51.8 and county-based purchasing plans under sections 256B.69, 256B.692, and 256L.12 shall  
51.9 reflect the payment reduction described in this paragraph.

51.10 (d) Effective for services rendered on or after July 1, 2010, payment rates for physician  
51.11 and professional services shall be reduced an additional seven percent over the five percent  
51.12 reduction in rates described in paragraph (c). This additional reduction does not apply to  
51.13 physical therapy services, occupational therapy services, and speech pathology and related  
51.14 services provided on or after July 1, 2010. This additional reduction does not apply to  
51.15 physician services billed by a psychiatrist or an advanced practice nurse with a specialty in  
51.16 mental health. Effective October 1, 2010, payments made to managed care plans and  
51.17 county-based purchasing plans under sections 256B.69, 256B.692, and 256L.12 shall reflect  
51.18 the payment reduction described in this paragraph.

51.19 (e) Effective for services rendered on or after September 1, 2011, through June 30, 2013,  
51.20 payment rates for physician and professional services shall be reduced three percent from  
51.21 the rates in effect on August 31, 2011. This reduction does not apply to physical therapy  
51.22 services, occupational therapy services, and speech pathology and related services.

51.23 (f) Effective for services rendered on or after September 1, 2014, payment rates for  
51.24 physician and professional services, including physical therapy, occupational therapy, speech  
51.25 pathology, and mental health services shall be increased by five percent from the rates in  
51.26 effect on August 31, 2014. In calculating this rate increase, the commissioner shall not  
51.27 include in the base rate for August 31, 2014, the rate increase provided under section  
51.28 256B.76, subdivision 7. This increase does not apply to federally qualified health centers,  
51.29 rural health centers, and Indian health services. Payments made to managed care plans and  
51.30 county-based purchasing plans shall not be adjusted to reflect payments under this paragraph.

51.31 (g) Effective for services rendered on or after July 1, 2015, payment rates for physical  
51.32 therapy, occupational therapy, and speech pathology and related services provided by a  
51.33 hospital meeting the criteria specified in section 62Q.19, subdivision 1, paragraph (a), clause  
51.34 (4), shall be increased by 90 percent from the rates in effect on June 30, 2015. Payments

52.1 made to managed care plans and county-based purchasing plans shall not be adjusted to  
52.2 reflect payments under this paragraph.

52.3 (h) Any ratables effective before July 1, 2015, do not apply to early intensive  
52.4 developmental and behavioral intervention (EIDBI) benefits described in section 256B.0949.

52.5 (i) The commissioner may reimburse the cost incurred to pay the Department of Health  
52.6 for metabolic disorder testing of newborns who are medical assistance recipients when the  
52.7 sample is collected outside of an inpatient hospital setting or freestanding birth center setting  
52.8 because the newborn was born outside of a hospital setting or freestanding birth center  
52.9 setting or because it is not medically appropriate to collect the sample during the inpatient  
52.10 stay for the birth.

52.11 Sec. 35. Minnesota Statutes 2022, section 256B.76, subdivision 2, is amended to read:

52.12 Subd. 2. **Dental reimbursement.** (a) Effective for services rendered ~~on or after~~ from  
52.13 October 1, 1992, to December 31, 2023, the commissioner shall make payments for dental  
52.14 services as follows:

52.15 (1) dental services shall be paid at the lower of (i) submitted charges, or (ii) 25 percent  
52.16 above the rate in effect on June 30, 1992; and

52.17 (2) dental rates shall be converted from the 50th percentile of 1982 to the 50th percentile  
52.18 of 1989, less the percent in aggregate necessary to equal the above increases.

52.19 (b) ~~Beginning~~ From October 1, 1999, to December 31, 2023, the payment for tooth  
52.20 sealants and fluoride treatments shall be the lower of (1) submitted charge, or (2) 80 percent  
52.21 of median 1997 charges.

52.22 (c) Effective for services rendered ~~on or after~~ from January 1, 2000, to December 31,  
52.23 2023, payment rates for dental services shall be increased by three percent over the rates in  
52.24 effect on December 31, 1999.

52.25 (d) Effective for services provided ~~on or after~~ from January 1, 2002, to December 31,  
52.26 2023, payment for diagnostic examinations and dental x-rays provided to children under  
52.27 age 21 shall be the lower of (1) the submitted charge, or (2) 85 percent of median 1999  
52.28 charges.

52.29 (e) The increases listed in paragraphs (b) and (c) shall be implemented January 1, 2000,  
52.30 for managed care.

52.31 (f) Effective for dental services rendered on or after October 1, 2010, by a state-operated  
52.32 dental clinic, payment shall be paid on a reasonable cost basis that is based on the Medicare

53.1 principles of reimbursement. This payment shall be effective for services rendered on or  
53.2 after January 1, 2011, to recipients enrolled in managed care plans or county-based  
53.3 purchasing plans.

53.4 (g) Beginning in fiscal year 2011, if the payments to state-operated dental clinics in  
53.5 paragraph (f), including state and federal shares, are less than \$1,850,000 per fiscal year, a  
53.6 supplemental state payment equal to the difference between the total payments in paragraph  
53.7 (f) and \$1,850,000 shall be paid from the general fund to state-operated services for the  
53.8 operation of the dental clinics.

53.9 ~~(h) Effective for services rendered on or after January 1, 2014, through December 31,~~  
53.10 ~~2021, payment rates for dental services shall be increased by five percent from the rates in~~  
53.11 ~~effect on December 31, 2013. This increase does not apply to state-operated dental clinics~~  
53.12 ~~in paragraph (f), federally qualified health centers, rural health centers, and Indian health~~  
53.13 ~~services. Effective January 1, 2014, payments made to managed care plans and county-based~~  
53.14 ~~purchasing plans under sections 256B.69, 256B.692, and 256L.12 shall reflect the payment~~  
53.15 ~~increase described in this paragraph.~~

53.16 ~~(i) Effective for services provided on or after January 1, 2017, through December 31,~~  
53.17 ~~2021, the commissioner shall increase payment rates by 9.65 percent for dental services~~  
53.18 ~~provided outside of the seven-county metropolitan area. This increase does not apply to~~  
53.19 ~~state-operated dental clinics in paragraph (f), federally qualified health centers, rural health~~  
53.20 ~~centers, or Indian health services. Effective January 1, 2017, payments to managed care~~  
53.21 ~~plans and county-based purchasing plans under sections 256B.69 and 256B.692 shall reflect~~  
53.22 ~~the payment increase described in this paragraph.~~

53.23 ~~(j) Effective for services provided on or after July 1, 2017, through December 31, 2021,~~  
53.24 ~~the commissioner shall increase payment rates by 23.8 percent for dental services provided~~  
53.25 ~~to enrollees under the age of 21. This rate increase does not apply to state-operated dental~~  
53.26 ~~clinics in paragraph (f), federally qualified health centers, rural health centers, or Indian~~  
53.27 ~~health centers. This rate increase does not apply to managed care plans and county-based~~  
53.28 ~~purchasing plans.~~

53.29 ~~(k)~~ (h) Effective for services provided on or after January 1, 2022, the commissioner  
53.30 shall exclude from medical assistance and MinnesotaCare payments for dental services to  
53.31 public health and community health clinics the 20 percent increase authorized under Laws  
53.32 1989, chapter 327, section 5, subdivision 2, paragraph (b).

53.33 ~~(l)~~ (i) Effective for services provided ~~on or after~~ from January 1, 2022, to December 31,  
53.34 2023, the commissioner shall increase payment rates by 98 percent for all dental services.

54.1 This rate increase does not apply to state-operated dental clinics, federally qualified health  
54.2 centers, rural health centers, or Indian health services.

54.3 ~~(m)~~ (j) Managed care plans and county-based purchasing plans shall reimburse providers  
54.4 at a level that is at least equal to the rate paid under fee-for-service for dental services. If,  
54.5 for any coverage year, federal approval is not received for this paragraph, the commissioner  
54.6 must adjust the capitation rates paid to managed care plans and county-based purchasing  
54.7 plans for that contract year to reflect the removal of this provision. Contracts between  
54.8 managed care plans and county-based purchasing plans and providers to whom this paragraph  
54.9 applies must allow recovery of payments from those providers if capitation rates are adjusted  
54.10 in accordance with this paragraph. Payment recoveries must not exceed an amount equal  
54.11 to any increase in rates that results from this provision. If, for any coverage year, federal  
54.12 approval is not received for this paragraph, the commissioner shall not implement this  
54.13 paragraph for subsequent coverage years.

54.14 (k) Effective for services provided on or after January 1, 2024, payment for dental  
54.15 services must be the lower of submitted charges or the percentile of 2018-submitted charges  
54.16 from claims paid by the commissioner so that the total aggregate expenditures does not  
54.17 exceed the total spend as outlined in the applicable paragraphs (a) to (k). This paragraph  
54.18 does not apply to federally qualified health centers, rural health centers, state-operated dental  
54.19 clinics, or Indian health centers.

54.20 (l) Beginning January 1, 2027, and every three years thereafter, the commissioner shall  
54.21 rebase payment rates for dental services to a percentile of submitted charges for the applicable  
54.22 base year using charge data from claims paid by the commissioner so that the total aggregate  
54.23 expenditures does not exceed the total spend as outlined in paragraph (k) plus the change  
54.24 in the Medicare Economic Index (MEI). In 2027, the change in the MEI must be measured  
54.25 from midyear of 2024 and 2026. For each subsequent rebasing, the change in the MEI must  
54.26 be measured between the years that are one year after the rebasing years. The base year  
54.27 used for each rebasing must be the calendar year that is two years prior to the effective date  
54.28 of the rebasing. This paragraph does not apply to federally qualified health centers, rural  
54.29 health centers, state-operated dental clinics, or Indian health centers.

54.30 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval,  
54.31 whichever is later. The commissioner of human services shall notify the revisor of statutes  
54.32 when federal approval is obtained.

55.1 Sec. 36. Minnesota Statutes 2022, section 256B.76, subdivision 4, is amended to read:

55.2 Subd. 4. **Critical access dental providers.** ~~(a) The commissioner shall increase~~  
55.3 ~~reimbursements to dentists and dental clinics deemed by the commissioner to be critical~~  
55.4 ~~access dental providers. For dental services rendered on or after July 1, 2016, through~~  
55.5 ~~December 31, 2021, the commissioner shall increase reimbursement by 37.5 percent above~~  
55.6 ~~the reimbursement rate that would otherwise be paid to the critical access dental provider,~~  
55.7 ~~except as specified under paragraph (b). The commissioner shall pay the managed care~~  
55.8 ~~plans and county-based purchasing plans in amounts sufficient to reflect increased~~  
55.9 ~~reimbursements to critical access dental providers as approved by the commissioner.~~

55.10 ~~(b) For dental services rendered on or after July 1, 2016, through December 31, 2021,~~  
55.11 ~~by a dental clinic or dental group that meets the critical access dental provider designation~~  
55.12 ~~under paragraph (f), clause (4), and is owned and operated by a health maintenance~~  
55.13 ~~organization licensed under chapter 62D, the commissioner shall increase reimbursement~~  
55.14 ~~by 35 percent above the reimbursement rate that would otherwise be paid to the critical~~  
55.15 ~~access provider.~~

55.16 ~~(e)~~ (a) The commissioner shall increase reimbursement to dentists and dental clinics  
55.17 deemed by the commissioner to be critical access dental providers. For dental services  
55.18 provided on or after January 1, 2022, by a dental provider deemed to be a critical access  
55.19 dental provider under paragraph (f), the commissioner shall increase reimbursement by 20  
55.20 percent above the reimbursement rate that would otherwise be paid to the critical access  
55.21 dental provider. This paragraph does not apply to federally qualified health centers, rural  
55.22 health centers, state-operated dental clinics, or Indian health centers.

55.23 ~~(d)~~ (b) Managed care plans and county-based purchasing plans shall increase  
55.24 reimbursement to critical access dental providers by at least the amount specified in paragraph  
55.25 (c). If, for any coverage year, federal approval is not received for this paragraph, the  
55.26 commissioner must adjust the capitation rates paid to managed care plans and county-based  
55.27 purchasing plans for that contract year to reflect the removal of this provision. Contracts  
55.28 between managed care plans and county-based purchasing plans and providers to whom  
55.29 this paragraph applies must allow recovery of payments from those providers if capitation  
55.30 rates are adjusted in accordance with this paragraph. Payment recoveries must not exceed  
55.31 an amount equal to any increase in rates that results from this provision. If, for any coverage  
55.32 year, federal approval is not received for this paragraph, the commissioner shall not  
55.33 implement this paragraph for subsequent coverage years.

56.1 ~~(e)~~ (c) Critical access dental payments made under this subdivision for dental services  
56.2 provided by a critical access dental provider to an enrollee of a managed care plan or  
56.3 county-based purchasing plan must not reflect any capitated payments or cost-based payments  
56.4 from the managed care plan or county-based purchasing plan. The managed care plan or  
56.5 county-based purchasing plan must base the additional critical access dental payment on  
56.6 the amount that would have been paid for that service had the dental provider been paid  
56.7 according to the managed care plan or county-based purchasing plan's fee schedule that  
56.8 applies to dental providers that are not paid under a capitated payment or cost-based payment.

56.9 ~~(f)~~ (d) The commissioner shall designate the following dentists and dental clinics as  
56.10 critical access dental providers:

56.11 (1) nonprofit community clinics that:

56.12 (i) have nonprofit status in accordance with chapter 317A;

56.13 (ii) have tax exempt status in accordance with the Internal Revenue Code, section  
56.14 501(c)(3);

56.15 (iii) are established to provide oral health services to patients who are low income,  
56.16 uninsured, have special needs, and are underserved;

56.17 (iv) have professional staff familiar with the cultural background of the clinic's patients;

56.18 (v) charge for services on a sliding fee scale designed to provide assistance to low-income  
56.19 patients based on current poverty income guidelines and family size;

56.20 (vi) do not restrict access or services because of a patient's financial limitations or public  
56.21 assistance status; and

56.22 (vii) have free care available as needed;

56.23 (2) federally qualified health centers, rural health clinics, and public health clinics;

56.24 (3) hospital-based dental clinics owned and operated by a city, county, or former state  
56.25 hospital as defined in section 62Q.19, subdivision 1, paragraph (a), clause (4);

56.26 (4) a dental clinic or dental group owned and operated by a nonprofit corporation in  
56.27 accordance with chapter 317A with more than 10,000 patient encounters per year with  
56.28 patients who are uninsured or covered by medical assistance or MinnesotaCare;

56.29 (5) a dental clinic owned and operated by the University of Minnesota or the Minnesota  
56.30 State Colleges and Universities system; and

56.31 (6) private practicing dentists if:



57.1 (i) the dentist's office is located within the seven-county metropolitan area and more  
57.2 than 50 percent of the dentist's patient encounters per year are with patients who are uninsured  
57.3 or covered by medical assistance or MinnesotaCare; or

57.4 (ii) the dentist's office is located outside the seven-county metropolitan area and more  
57.5 than 25 percent of the dentist's patient encounters per year are with patients who are uninsured  
57.6 or covered by medical assistance or MinnesotaCare.

57.7 **EFFECTIVE DATE.** This section is effective January 1, 2024.

57.8 Sec. 37. Minnesota Statutes 2022, section 256B.761, is amended to read:

57.9 **256B.761 REIMBURSEMENT FOR MENTAL HEALTH SERVICES.**

57.10 (a) Effective for services rendered on or after July 1, 2001, payment for medication  
57.11 management provided to psychiatric patients, outpatient mental health services, day treatment  
57.12 services, home-based mental health services, and family community support services shall  
57.13 be paid at the lower of (1) submitted charges, or (2) 75.6 percent of the 50th percentile of  
57.14 1999 charges.

57.15 (b) Effective July 1, 2001, the medical assistance rates for outpatient mental health  
57.16 services provided by an entity that operates: (1) a Medicare-certified comprehensive  
57.17 outpatient rehabilitation facility; and (2) a facility that was certified prior to January 1, 1993,  
57.18 with at least 33 percent of the clients receiving rehabilitation services in the most recent  
57.19 calendar year who are medical assistance recipients, will be increased by 38 percent, when  
57.20 those services are provided within the comprehensive outpatient rehabilitation facility and  
57.21 provided to residents of nursing facilities owned by the entity.

57.22 (c) In addition to rate increases otherwise provided, the commissioner may restructure  
57.23 coverage policy and rates to improve access to adult rehabilitative mental health services  
57.24 under section 256B.0623 and related mental health support services under section 256B.021,  
57.25 subdivision 4, paragraph (f), clause (2). For state fiscal years 2015 and 2016, the projected  
57.26 state share of increased costs due to this paragraph is transferred from adult mental health  
57.27 grants under sections 245.4661 and 256E.12. The transfer for fiscal year 2016 is a permanent  
57.28 base adjustment for subsequent fiscal years. Payments made to managed care plans and  
57.29 county-based purchasing plans under sections 256B.69, 256B.692, and 256L.12 shall reflect  
57.30 the rate changes described in this paragraph.

57.31 (d) Any ratables effective before July 1, 2015, do not apply to early intensive  
57.32 developmental and behavioral intervention (EIDBI) benefits described in section 256B.0949.

58.1 (e) Effective for services rendered on or after January 1, 2024, payment rates for  
58.2 behavioral health services included in the rate analysis required by Laws 2021, First Special  
58.3 Session chapter 7, article 17, section 18, must be increased by 35 percent from the rates in  
58.4 effect on December 31, 2023. Effective for services rendered on or after January 1, 2025,  
58.5 payment rates for behavioral health services included in the rate analysis required by Laws  
58.6 2021, First Special Session chapter 7, article 17, section 18, must be annually adjusted  
58.7 according to the Consumer Price Index for medical care services. This paragraph does not  
58.8 apply to federally qualified health centers, rural health centers, Indian health services,  
58.9 certified community behavioral health clinics, cost-based rates, and rates that are negotiated  
58.10 with the county. This paragraph expires upon legislative implementation of the new rate  
58.11 methodology resulting from the rate analysis required by Laws 2021, First Special Session  
58.12 chapter 7, article 17, section 18.

58.13 (f) Effective January 1, 2024, the commissioner shall increase capitation payments made  
58.14 to managed care plans and county-based purchasing plans to reflect the behavioral health  
58.15 service rate increase provided in paragraph (e). Managed care and county-based purchasing  
58.16 plans must use the capitation rate increase provided under this paragraph to increase payment  
58.17 rates to behavioral health services providers. The commissioner must monitor the effect of  
58.18 this rate increase on enrollee access to behavioral health services. If for any contract year  
58.19 federal approval is not received for this paragraph, the commissioner must adjust the  
58.20 capitation rates paid to managed care plans and county-based purchasing plans for that  
58.21 contract year to reflect the removal of this provision. Contracts between managed care plans  
58.22 and county-based purchasing plans and providers to whom this paragraph applies must  
58.23 allow recovery of payments from those providers if capitation rates are adjusted in accordance  
58.24 with this paragraph. Payment recoveries must not exceed the amount equal to any increase  
58.25 in rates that results from this provision.

58.26 Sec. 38. Minnesota Statutes 2022, section 256B.764, is amended to read:

58.27 **256B.764 REIMBURSEMENT FOR FAMILY PLANNING SERVICES.**

58.28 (a) Effective for services rendered on or after July 1, 2007, payment rates for family  
58.29 planning services shall be increased by 25 percent over the rates in effect June 30, 2007,  
58.30 when these services are provided by a community clinic as defined in section 145.9268,  
58.31 subdivision 1.

58.32 (b) Effective for services rendered on or after July 1, 2013, payment rates for family  
58.33 planning services shall be increased by 20 percent over the rates in effect June 30, 2013,  
58.34 when these services are provided by a community clinic as defined in section 145.9268,

59.1 subdivision 1. The commissioner shall adjust capitation rates to managed care and  
59.2 county-based purchasing plans to reflect this increase, and shall require plans to pass on the  
59.3 full amount of the rate increase to eligible community clinics, in the form of higher payment  
59.4 rates for family planning services.

59.5 (c) Effective for services provided on or after January 1, 2024, payment rates for family  
59.6 planning and abortion services must be increased by ten percent. This increase does not  
59.7 apply to federally qualified health centers, rural health centers, or Indian health services.

59.8 Sec. 39. Minnesota Statutes 2022, section 256L.03, subdivision 5, is amended to read:

59.9 Subd. 5. **Cost-sharing.** (a) Co-payments, coinsurance, and deductibles do not apply to  
59.10 children under the age of 21 ~~and~~; to American Indians as defined in Code of Federal  
59.11 Regulations, title 42, section 600.5; or to pre-exposure prophylaxis (PrEP) and postexposure  
59.12 prophylaxis (PEP) medications when used for the prevention or treatment of the human  
59.13 immunodeficiency virus (HIV).

59.14 (b) The commissioner shall adjust co-payments, coinsurance, and deductibles for covered  
59.15 services in a manner sufficient to maintain the actuarial value of the benefit to 94 percent.  
59.16 The cost-sharing changes described in this paragraph do not apply to eligible recipients or  
59.17 services exempt from cost-sharing under state law. The cost-sharing changes described in  
59.18 this paragraph shall not be implemented prior to January 1, 2016.

59.19 (c) The cost-sharing changes authorized under paragraph (b) must satisfy the requirements  
59.20 for cost-sharing under the Basic Health Program as set forth in Code of Federal Regulations,  
59.21 title 42, sections 600.510 and 600.520.

59.22 (d) Co-payments, coinsurance, and deductibles do not apply to additional diagnostic  
59.23 services or testing that a health care provider determines an enrollee requires after a  
59.24 mammogram, as specified under section 62A.30, subdivision 5.

59.25 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval,  
59.26 whichever is later. The commissioner of human services shall notify the revisor of statutes  
59.27 when federal approval is obtained.

60.1 Sec. 40. Laws 2021, First Special Session chapter 7, article 6, section 26, is amended to  
60.2 read:

60.3 **Sec. 26. COMMISSIONER OF HUMAN SERVICES; EXTENSION OF COVID-19**  
60.4 **HUMAN SERVICES PROGRAM MODIFICATIONS.**

60.5 Notwithstanding Laws 2020, First Special Session chapter 7, section 1, subdivision 2,  
60.6 as amended by Laws 2020, Third Special Session chapter 1, section 3, when the peacetime  
60.7 emergency declared by the governor in response to the COVID-19 outbreak expires, is  
60.8 terminated, or is rescinded by the proper authority, the following modifications issued by  
60.9 the commissioner of human services pursuant to Executive Orders 20-11 and 20-12, and  
60.10 including any amendments to the modification issued before the peacetime emergency  
60.11 expires, shall remain in effect until July 1, ~~2023~~ 2025:

60.12 (1) CV16: expanding access to telemedicine services for Children's Health Insurance  
60.13 Program, Medical Assistance, and MinnesotaCare enrollees; and

60.14 (2) CV21: allowing telemedicine alternative for school-linked mental health services  
60.15 and intermediate school district mental health services.

60.16 **Sec. 41. REPORT; MODIFY WITHHOLD PROVISIONS.**

60.17 By January 1, 2024, the commissioner of human services must submit a report to the  
60.18 chairs and ranking minority members of the legislative committees with jurisdiction over  
60.19 human services finance and policy evaluating the utility of the performance targets described  
60.20 in Minnesota Statutes, section 256B.69, subdivision 5a, paragraphs (e) to (g). The report  
60.21 must include the applicable performance rates of managed care organizations and  
60.22 county-based purchasing plans in the past three years, projected impacts on performance  
60.23 rates for the next three years resulting from a repeal of Minnesota Statutes, section 256B.69,  
60.24 subdivision 5a, paragraphs (e) to (g), measures that the commissioner anticipates taking to  
60.25 continue monitoring and improving the applicable performance rates of managed care  
60.26 organizations and county-based purchasing plans upon a repeal of Minnesota Statutes,  
60.27 section 256B.69, subdivision 5a, paragraphs (e) to (g), proposals for additional performance  
60.28 targets that may improve quality of care for enrollees, and any additional legislative actions  
60.29 that may be required as the result of a repeal of Minnesota Statutes, section 256B.69,  
60.30 subdivision 5a, paragraphs (e) to (g).

**ARTICLE 2****HEALTH INSURANCE**

61.1

61.2

61.3 Section 1. Minnesota Statutes 2022, section 62A.02, subdivision 1, is amended to read:

61.4 Subdivision 1. **Filing.** (a) For purposes of this section, "health plan" means a health plan  
61.5 as defined in section 62A.011 or a policy of accident and sickness insurance as defined in  
61.6 section 62A.01. No health plan shall be issued or delivered to any person in this state, nor  
61.7 shall any application, rider, or endorsement be used in connection with the health plan, until  
61.8 a copy of its form and of the classification of risks and the premium rates pertaining to the  
61.9 form have been filed with the commissioner. The filing for nongroup health plan forms  
61.10 shall include a statement of actuarial reasons and data to support the rate. For health benefit  
61.11 plans as defined in section 62L.02, and for health plans to be issued to individuals, the health  
61.12 carrier shall file with the commissioner the information required in section 62L.08,  
61.13 subdivision 8. For group health plans for which approval is sought for sales only outside  
61.14 of the small employer market as defined in section 62L.02, this section applies only to  
61.15 policies or contracts of accident and sickness insurance. All forms intended for issuance in  
61.16 the individual or small employer market must be accompanied by a statement as to the  
61.17 expected loss ratio for the form. Premium rates and forms relating to specific insureds or  
61.18 proposed insureds, whether individuals or groups, need not be filed, unless requested by  
61.19 the commissioner.

61.20 (b) The filing must include the health plan's prescription drug formulary. Proposed  
61.21 revisions to the health plan's prescription drug formulary must be filed with the commissioner  
61.22 no later than August 1 of the application year.

61.23 (c) The provisions of paragraph (b) shall not be severable from section 62Q.83. If any  
61.24 provision of paragraph (b) or its application to any individual, entity, or circumstance is  
61.25 found to be void for any reason, section 62Q.83 shall be void also.

61.26 Sec. 2. **[62A.0412] COVERAGE OF INFERTILITY TREATMENT.**

61.27 Subdivision 1. **Scope.** This section applies to all large group health plans that provide  
61.28 maternity benefits to Minnesota residents. This section only applies to large group health  
61.29 plans.

61.30 Subd. 2. **Required coverage.** (a) Every health plan under subdivision 1 must provide  
61.31 comprehensive coverage for the diagnosis of infertility, treatment for infertility, and standard  
61.32 fertility preservation services that are:

61.33 (1) considered medically necessary by the enrollee's treating health care provider; and

62.1 (2) recognized by either the American Society for Reproductive Medicine, the American  
62.2 College of Obstetrics and Gynecologists, or the American Society of Clinical Oncology.

62.3 (b) Coverage under this section must include but is not limited to ovulation induction,  
62.4 procedures and devices to monitor ovulation, artificial insemination, oocyte retrieval  
62.5 procedures, in vitro fertilization, gamete intrafallopian transfer, oocyte replacement,  
62.6 cryopreservation techniques, micromanipulation of gametes, and standard fertility  
62.7 preservation services.

62.8 (c) Coverage under this section must include unlimited embryo transfers, but may impose  
62.9 a limit of four completed oocyte retrievals. Single embryo transfer must be used when  
62.10 medically appropriate and recommended by the treating health care provider.

62.11 (d) Coverage for surgical reversal of elective sterilization is not required under this  
62.12 section.

62.13 (e) Cost-sharing requirements, including co-payments, deductibles, and coinsurance for  
62.14 infertility coverage, must not be greater than the cost-sharing requirements for maternity  
62.15 coverage under the enrollee's health plan.

62.16 (f) Health plans under subdivision 1 may not include in the coverage under this section:

62.17 (1) any exclusions, limitations, or other restrictions on coverage of fertility medications  
62.18 that are different from those imposed on other prescription medications;

62.19 (2) any exclusions, limitations, or other restrictions on coverage of any fertility services  
62.20 based on a covered individual's participation in fertility services provided by or to a third  
62.21 party; or

62.22 (3) any benefit maximums, waiting periods, or any other limitations on coverage for the  
62.23 diagnosis of infertility, treatment of infertility, and standard fertility preservation services,  
62.24 except as provided in paragraphs (c) and (d), that are different from those imposed upon  
62.25 benefits for services not related to infertility.

62.26 Subd. 3. **Definitions.** (a) For the purpose of this section, the definitions in this subdivision  
62.27 have the meanings given them.

62.28 (b) "Infertility" means a disease, condition, or status characterized by:

62.29 (1) the failure of a person with a uterus to establish a pregnancy or to carry a pregnancy  
62.30 to live birth after 12 months of unprotected sexual intercourse for a person under the age  
62.31 of 35 or six months for a person 35 years of age or older, regardless of whether a pregnancy  
62.32 resulting in miscarriage occurred during such time;

63.1 (2) a person's inability to reproduce either as a single individual or with the person's  
 63.2 partner without medical intervention; or

63.3 (3) a licensed health care provider's findings based on a patient's medical, sexual, and  
 63.4 reproductive history; age; physical findings; or diagnostic testing.

63.5 (c) "Diagnosis of and treatment for infertility" means the recommended procedures and  
 63.6 medications from the direction of a licensed health care provider that are consistent with  
 63.7 established, published, or approved medical practices or professional guidelines from the  
 63.8 American College of Obstetricians and Gynecologists or the American Society for  
 63.9 Reproductive Medicine.

63.10 (d) "Standard fertility preservation services" means procedures that are consistent with  
 63.11 the established medical practices or professional guidelines published by the American  
 63.12 Society for Reproductive Medicine or the American Society of Clinical Oncology for a  
 63.13 person who has a medical condition or is expected to undergo medication therapy, surgery,  
 63.14 radiation, chemotherapy, or other medical treatment that is recognized by medical  
 63.15 professionals to cause a risk of impairment to fertility.

63.16 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to all large  
 63.17 group health plans issued or renewed on or after that date.

63.18 Sec. 3. Minnesota Statutes 2022, section 62A.045, is amended to read:

63.19 **62A.045 PAYMENTS ON BEHALF OF ENROLLEES IN GOVERNMENT**  
 63.20 **HEALTH PROGRAMS.**

63.21 (a) As a condition of doing business in Minnesota or providing coverage to residents of  
 63.22 Minnesota covered by this section, each health insurer shall comply with the requirements  
 63.23 ~~of~~ for health insurers under the federal Deficit Reduction Act of 2005, Public Law 109-171  
 63.24 and the federal Consolidated Appropriations Act of 2022, Public Law 117-103, including  
 63.25 any federal regulations adopted under ~~that act~~ those acts, to the extent that ~~it imposes~~ they  
 63.26 impose a requirement that applies in this state and that is not also required by the laws of  
 63.27 this state. This section does not require compliance with any provision of the federal ~~act~~  
 63.28 acts prior to the effective ~~date~~ dates provided for ~~that provision~~ those provisions in the  
 63.29 federal ~~act~~ acts. The commissioner shall enforce this section.

63.30 For the purpose of this section, "health insurer" includes self-insured plans, group health  
 63.31 plans (as defined in section 607(1) of the Employee Retirement Income Security Act of  
 63.32 1974), service benefit plans, managed care organizations, pharmacy benefit managers, or

64.1 other parties that are by contract legally responsible to pay a claim for a health-care item  
64.2 or service for an individual receiving benefits under paragraph (b).

64.3 (b) No plan offered by a health insurer issued or renewed to provide coverage to a  
64.4 Minnesota resident shall contain any provision denying or reducing benefits because services  
64.5 are rendered to a person who is eligible for or receiving medical benefits pursuant to title  
64.6 XIX of the Social Security Act (Medicaid) in this or any other state; chapter 256 or 256B;  
64.7 or services pursuant to section 252.27; 256L.01 to 256L.10; 260B.331, subdivision 2;  
64.8 260C.331, subdivision 2; or 393.07, subdivision 1 or 2. No health insurer providing benefits  
64.9 under plans covered by this section shall use eligibility for medical programs named in this  
64.10 section as an underwriting guideline or reason for nonacceptance of the risk.

64.11 (c) If payment for covered expenses has been made under state medical programs for  
64.12 health care items or services provided to an individual, and a third party has a legal liability  
64.13 to make payments, the rights of payment and appeal of an adverse coverage decision for  
64.14 the individual, or in the case of a child their responsible relative or caretaker, will be  
64.15 subrogated to the state agency. The state agency may assert its rights under this section  
64.16 within three years of the date the service was rendered. For purposes of this section, "state  
64.17 agency" includes prepaid health plans under contract with the commissioner according to  
64.18 sections 256B.69 and 256L.12; children's mental health collaboratives under section 245.493;  
64.19 demonstration projects for persons with disabilities under section 256B.77; nursing homes  
64.20 under the alternative payment demonstration project under section 256B.434; and  
64.21 county-based purchasing entities under section 256B.692.

64.22 (d) Notwithstanding any law to the contrary, when a person covered by a plan offered  
64.23 by a health insurer receives medical benefits according to any statute listed in this section,  
64.24 payment for covered services or notice of denial for services billed by the provider must be  
64.25 issued directly to the provider. If a person was receiving medical benefits through the  
64.26 Department of Human Services at the time a service was provided, the provider must indicate  
64.27 this benefit coverage on any claim forms submitted by the provider to the health insurer for  
64.28 those services. If the commissioner of human services notifies the health insurer that the  
64.29 commissioner has made payments to the provider, payment for benefits or notices of denials  
64.30 issued by the health insurer must be issued directly to the commissioner. Submission by the  
64.31 department to the health insurer of the claim on a Department of Human Services claim  
64.32 form is proper notice and shall be considered proof of payment of the claim to the provider  
64.33 and supersedes any contract requirements of the health insurer relating to the form of  
64.34 submission. Liability to the insured for coverage is satisfied to the extent that payments for



65.1 those benefits are made by the health insurer to the provider or the commissioner as required  
65.2 by this section.

65.3 (e) When a state agency has acquired the rights of an individual eligible for medical  
65.4 programs named in this section and has health benefits coverage through a health insurer,  
65.5 the health insurer shall not impose requirements that are different from requirements  
65.6 applicable to an agent or assignee of any other individual covered.

65.7 (f) A health insurer must process a clean claim made by a state agency for covered  
65.8 expenses paid under state medical programs within 90 business days of the claim's  
65.9 submission. A health insurer must process all other claims made by a state agency for  
65.10 covered expenses paid under a state medical program within the timeline set forth in Code  
65.11 of Federal Regulations, title 42, section 447.45(d)(4).

65.12 (g) A health insurer may request a refund of a claim paid in error to the Department of  
65.13 Human Services within two years of the date the payment was made to the department. A  
65.14 request for a refund shall not be honored by the department if the health insurer makes the  
65.15 request after the time period has lapsed.

65.16 Sec. 4. Minnesota Statutes 2022, section 62A.15, is amended by adding a subdivision to  
65.17 read:

65.18 Subd. 3d. **Pharmacist.** All benefits provided by a policy or contract referred to in  
65.19 subdivision 1 relating to expenses incurred for medical treatment or services provided by  
65.20 a licensed physician must include services provided by a licensed pharmacist, according to  
65.21 the requirements of section 151.01, to the extent a licensed pharmacist's services are within  
65.22 the pharmacist's scope of practice.

65.23 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to policies  
65.24 or contracts offered, issued, or renewed on or after that date.

65.25 Sec. 5. Minnesota Statutes 2022, section 62A.15, subdivision 4, is amended to read:

65.26 Subd. 4. **Denial of benefits.** (a) No carrier referred to in subdivision 1 may, in the  
65.27 payment of claims to employees in this state, deny benefits payable for services covered by  
65.28 the policy or contract if the services are lawfully performed by a licensed chiropractor, a  
65.29 licensed optometrist, a registered nurse meeting the requirements of subdivision 3a, a licensed  
65.30 physician assistant, ~~or~~ a licensed acupuncture practitioner, or a licensed pharmacist.

65.31 (b) When carriers referred to in subdivision 1 make claim determinations concerning  
65.32 the appropriateness, quality, or utilization of chiropractic health care for Minnesotans, any

66.1 of these determinations that are made by health care professionals must be made by, or  
66.2 under the direction of, or subject to the review of licensed doctors of chiropractic.

66.3 (c) When a carrier referred to in subdivision 1 makes a denial of payment claim  
66.4 determination concerning the appropriateness, quality, or utilization of acupuncture services  
66.5 for individuals in this state performed by a licensed acupuncture practitioner, a denial of  
66.6 payment claim determination that is made by a health professional must be made by, under  
66.7 the direction of, or subject to the review of a licensed acupuncture practitioner.

66.8 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to policies  
66.9 or contracts offered, issued, or renewed on or after that date.

66.10 Sec. 6. Minnesota Statutes 2022, section 62A.30, is amended by adding a subdivision to  
66.11 read:

66.12 **Subd. 5. Mammogram; diagnostic services and testing.** If a health care provider  
66.13 determines an enrollee requires additional diagnostic services or testing after a mammogram,  
66.14 a health plan must provide coverage for the additional diagnostic services or testing with  
66.15 no cost sharing, including co-pay, deductible, or coinsurance.

66.16 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to health  
66.17 plans offered, issued, or sold on or after that date.

66.18 Sec. 7. Minnesota Statutes 2022, section 62A.30, is amended by adding a subdivision to  
66.19 read:

66.20 **Subd. 6. Application.** If the application of subdivision 5 before an enrollee has met their  
66.21 health plan's deductible would result in: (1) health savings account ineligibility under United  
66.22 States Code, title 26, section 223; or (2) catastrophic health plan ineligibility under United  
66.23 States Code, title 42, section 18022(e), then subdivision 5 shall apply to diagnostic services  
66.24 or testing only after the enrollee has met their health plan's deductible.

66.25 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to health  
66.26 plans offered, issued, or sold on or after that date.

66.27 Sec. 8. Minnesota Statutes 2022, section 62A.673, subdivision 2, is amended to read:

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

66.30 (b) "Distant site" means a site at which a health care provider is located while providing  
66.31 health care services or consultations by means of telehealth.

67.1 (c) "Health care provider" means a health care professional who is licensed or registered  
67.2 by the state to perform health care services within the provider's scope of practice and in  
67.3 accordance with state law. A health care provider includes a mental health professional  
67.4 under section 245I.04, subdivision 2; a mental health practitioner under section 245I.04,  
67.5 subdivision 4; a clinical trainee under section 245I.04, subdivision 6; a treatment coordinator  
67.6 under section 245G.11, subdivision 7; an alcohol and drug counselor under section 245G.11,  
67.7 subdivision 5; and a recovery peer under section 245G.11, subdivision 8.

67.8 (d) "Health carrier" has the meaning given in section 62A.011, subdivision 2.

67.9 (e) "Health plan" has the meaning given in section 62A.011, subdivision 3. Health plan  
67.10 includes dental plans as defined in section 62Q.76, subdivision 3, but does not include dental  
67.11 plans that provide indemnity-based benefits, regardless of expenses incurred, and are designed  
67.12 to pay benefits directly to the policy holder.

67.13 (f) "Originating site" means a site at which a patient is located at the time health care  
67.14 services are provided to the patient by means of telehealth. For purposes of store-and-forward  
67.15 technology, the originating site also means the location at which a health care provider  
67.16 transfers or transmits information to the distant site.

67.17 (g) "Store-and-forward technology" means the asynchronous electronic transfer or  
67.18 transmission of a patient's medical information or data from an originating site to a distant  
67.19 site for the purposes of diagnostic and therapeutic assistance in the care of a patient.

67.20 (h) "Telehealth" means the delivery of health care services or consultations through the  
67.21 use of real time two-way interactive audio and visual communications to provide or support  
67.22 health care delivery and facilitate the assessment, diagnosis, consultation, treatment,  
67.23 education, and care management of a patient's health care. Telehealth includes the application  
67.24 of secure video conferencing, store-and-forward technology, and synchronous interactions  
67.25 between a patient located at an originating site and a health care provider located at a distant  
67.26 site. Until July 1, ~~2023~~ 2025, telehealth also includes audio-only communication between  
67.27 a health care provider and a patient in accordance with subdivision 6, paragraph (b).  
67.28 Telehealth does not include communication between health care providers that consists  
67.29 solely of a telephone conversation, email, or facsimile transmission. Telehealth does not  
67.30 include communication between a health care provider and a patient that consists solely of  
67.31 an email or facsimile transmission. Telehealth does not include telemonitoring services as  
67.32 defined in paragraph (i).

67.33 (i) "Telemonitoring services" means the remote monitoring of clinical data related to  
67.34 the enrollee's vital signs or biometric data by a monitoring device or equipment that transmits

68.1 the data electronically to a health care provider for analysis. Telemonitoring is intended to  
68.2 collect an enrollee's health-related data for the purpose of assisting a health care provider  
68.3 in assessing and monitoring the enrollee's medical condition or status.

68.4 Sec. 9. **[62D.1071] COVERAGE OF LICENSED PHARMACIST SERVICES.**

68.5 Subdivision 1. **Pharmacist.** All benefits provided by a health maintenance contract  
68.6 relating to expenses incurred for medical treatment or services provided by a licensed  
68.7 physician must include services provided by a licensed pharmacist to the extent a licensed  
68.8 pharmacist's services are within the pharmacist's scope of practice.

68.9 Subd. 2. **Denial of benefits.** When paying claims for enrollees in Minnesota, a health  
68.10 maintenance organization must not deny payment for medical services covered by an  
68.11 enrollee's health maintenance contract if the services are lawfully performed by a licensed  
68.12 pharmacist.

68.13 Subd. 3. **Medication therapy management.** This section does not apply to or affect  
68.14 the coverage or reimbursement for medication therapy management services under section  
68.15 62Q.676 or 256B.0625, subdivisions 5, 13h, and 28a.

68.16 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
68.17 plans offered, issued, or renewed on or after that date.

68.18 Sec. 10. Minnesota Statutes 2022, section 62J.497, subdivision 1, is amended to read:

68.19 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have  
68.20 the meanings given.

68.21 (b) "Dispense" or "dispensing" has the meaning given in section 151.01, subdivision  
68.22 30. Dispensing does not include the direct administering of a controlled substance to a  
68.23 patient by a licensed health care professional.

68.24 (c) "Dispenser" means a person authorized by law to dispense a controlled substance,  
68.25 pursuant to a valid prescription.

68.26 (d) "Electronic media" has the meaning given under Code of Federal Regulations, title  
68.27 45, part 160.103.

68.28 (e) "E-prescribing" means the transmission using electronic media of prescription or  
68.29 prescription-related information between a prescriber, dispenser, pharmacy benefit manager,  
68.30 or group purchaser, either directly or through an intermediary, including an e-prescribing  
68.31 network. E-prescribing includes, but is not limited to, two-way transmissions between the

69.1 point of care and the dispenser and two-way transmissions related to eligibility, formulary,  
69.2 and medication history information.

69.3 (f) "Electronic prescription drug program" means a program that provides for  
69.4 e-prescribing.

69.5 (g) "Group purchaser" has the meaning given in section 62J.03, subdivision 6.

69.6 (h) "HL7 messages" means a standard approved by the standards development  
69.7 organization known as Health Level Seven.

69.8 (i) "National Provider Identifier" or "NPI" means the identifier described under Code  
69.9 of Federal Regulations, title 45, part 162.406.

69.10 (j) "NCPDP" means the National Council for Prescription Drug Programs, Inc.

69.11 (k) "NCPDP Formulary and Benefits Standard" means the most recent version of the  
69.12 National Council for Prescription Drug Programs Formulary and Benefits Standard or the  
69.13 most recent standard adopted by the Centers for Medicare and Medicaid Services for  
69.14 e-prescribing under Medicare Part D as required by section 1860D-4(e)(4)(D) of the Social  
69.15 Security Act and regulations adopted under it. The standards shall be implemented according  
69.16 to the Centers for Medicare and Medicaid Services schedule for compliance.

69.17 (l) "NCPDP Real-Time Prescription Benefit Standard" means the most recent National  
69.18 Council for Prescription Drug Programs Real-Time Prescription Benefit Standard adopted  
69.19 by the Centers for Medicare and Medicaid Services for e-prescribing under Medicare Part  
69.20 D as required by section 1860D-4(e)(2) of the Social Security Act, and regulations adopted  
69.21 pursuant to that section.

69.22 ~~(m)~~ (m) "NCPDP SCRIPT Standard" means the most recent version of the National  
69.23 Council for Prescription Drug Programs SCRIPT Standard, or the most recent standard  
69.24 adopted by the Centers for Medicare and Medicaid Services for e-prescribing under Medicare  
69.25 Part D as required by section 1860D-4(e)(4)(D) of the Social Security Act, and regulations  
69.26 adopted under it. The standards shall be implemented according to the Centers for Medicare  
69.27 and Medicaid Services schedule for compliance.

69.28 ~~(n)~~ (n) "Pharmacy" has the meaning given in section 151.01, subdivision 2.

69.29 (o) "Pharmacy benefit manager" has the meaning given in section 62W.02, subdivision  
69.30 15.

69.31 ~~(p)~~ (p) "Prescriber" means a licensed health care practitioner, other than a veterinarian,  
69.32 as defined in section 151.01, subdivision 23.

70.1 ~~(p)~~ (q) "Prescription-related information" means information regarding eligibility for  
70.2 drug benefits, medication history, or related health or drug information.

70.3 ~~(p)~~ (r) "Provider" or "health care provider" has the meaning given in section 62J.03,  
70.4 subdivision 8.

70.5 (s) "Real-time prescription benefit tool" means a tool that is capable of being integrated  
70.6 into a prescriber's e-prescribing system and that provides a prescriber with up-to-date and  
70.7 patient-specific formulary and benefit information at the time the prescriber submits a  
70.8 prescription.

70.9 Sec. 11. Minnesota Statutes 2022, section 62J.497, subdivision 3, is amended to read:

70.10 Subd. 3. **Standards for electronic prescribing.** (a) Prescribers and dispensers must use  
70.11 the NCPDP SCRIPT Standard for the communication of a prescription or prescription-related  
70.12 information.

70.13 (b) Providers, group purchasers, prescribers, and dispensers must use the NCPDP SCRIPT  
70.14 Standard for communicating and transmitting medication history information.

70.15 (c) Providers, group purchasers, prescribers, and dispensers must use the NCPDP  
70.16 Formulary and Benefits Standard for communicating and transmitting formulary and benefit  
70.17 information.

70.18 (d) Providers, group purchasers, prescribers, and dispensers must use the national provider  
70.19 identifier to identify a health care provider in e-prescribing or prescription-related transactions  
70.20 when a health care provider's identifier is required.

70.21 (e) Providers, group purchasers, prescribers, and dispensers must communicate eligibility  
70.22 information and conduct health care eligibility benefit inquiry and response transactions  
70.23 according to the requirements of section 62J.536.

70.24 (f) Group purchasers and pharmacy benefit managers must use a real-time prescription  
70.25 benefit tool that complies with the NCPDP Real-Time Prescription Benefit Standard and  
70.26 that, at a minimum, notifies a prescriber:

70.27 (1) if a prescribed drug is covered by the patient's group purchaser or pharmacy benefit  
70.28 manager;

70.29 (2) if a prescribed drug is included on the formulary or preferred drug list of the patient's  
70.30 group purchaser or pharmacy benefit manager;

70.31 (3) of any patient cost-sharing for the prescribed drug;

71.1 (4) if prior authorization is required for the prescribed drug; and

71.2 (5) of a list of any available alternative drugs that are in the same class as the drug  
71.3 originally prescribed and for which prior authorization is not required.

71.4 **EFFECTIVE DATE.** This section is effective January 1, 2024.

71.5 Sec. 12. Minnesota Statutes 2022, section 62J.824, is amended to read:

71.6 **62J.824 FACILITY FEE DISCLOSURE.**

71.7 (a) Prior to the delivery of nonemergency services, a provider-based clinic that charges  
71.8 a facility fee shall provide notice to any patient, including patients served by telehealth as  
71.9 defined in section 62A.673, subdivision 2, paragraph (h), stating that the clinic is part of a  
71.10 hospital and the patient may receive a separate charge or billing for the facility component,  
71.11 which may result in a higher out-of-pocket expense.

71.12 (b) Each health care facility must post prominently in locations easily accessible to and  
71.13 visible by patients, including on its website, a statement that the provider-based clinic is  
71.14 part of a hospital and the patient may receive a separate charge or billing for the facility,  
71.15 which may result in a higher out-of-pocket expense.

71.16 (c) This section does not apply to laboratory services, imaging services, or other ancillary  
71.17 health services that are provided by staff who are not employed by the health care facility  
71.18 or clinic.

71.19 (d) For purposes of this section:

71.20 (1) "facility fee" means any separate charge or billing by a provider-based clinic in  
71.21 addition to a professional fee for physicians' services that is intended to cover building,  
71.22 electronic medical records systems, billing, and other administrative and operational  
71.23 expenses; and

71.24 (2) "provider-based clinic" means the site of an off-campus clinic or provider office,  
71.25 located at least 250 yards from the main hospital buildings or as determined by the Centers  
71.26 for Medicare and Medicaid Services, that is owned by a hospital licensed under chapter 144  
71.27 or a health system that operates one or more hospitals licensed under chapter 144, and is  
71.28 primarily engaged in providing diagnostic and therapeutic care, including medical history,  
71.29 physical examinations, assessment of health status, and treatment monitoring. This definition  
71.30 does not include clinics that are exclusively providing laboratory, x-ray, testing, therapy,  
71.31 pharmacy, or educational services and does not include facilities designated as rural health  
71.32 clinics.

72.1 Sec. 13. **[62J.826] MEDICAL AND DENTAL PRACTICES; CURRENT STANDARD**  
72.2 **CHARGES; COMPARISON TOOL.**

72.3 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

72.4 (b) "CDT code" means a code value drawn from the Code on Dental Procedures and  
72.5 Nomenclature published by the American Dental Association.

72.6 (c) "Chargemaster" means the list of all individual items and services maintained by a  
72.7 medical or dental practice for which the medical or dental practice has established a charge.

72.8 (d) "Commissioner" means the commissioner of health.

72.9 (e) "CPT code" means a code value drawn from the Current Procedural Terminology  
72.10 published by the American Medical Association.

72.11 (f) "Dental service" means a service charged using a CDT code.

72.12 (g) "Diagnostic laboratory testing" means a service charged using a CPT code within  
72.13 the CPT code range of 80047 to 89398.

72.14 (h) "Diagnostic radiology service" means a service charged using a CPT code within  
72.15 the CPT code range of 70010 to 79999 and includes the provision of x-rays, computed  
72.16 tomography scans, positron emission tomography scans, magnetic resonance imaging scans,  
72.17 and mammographies.

72.18 (i) "Hospital" means an acute care institution licensed under sections 144.50 to 144.58,  
72.19 but does not include a health care institution conducted for those who rely primarily upon  
72.20 treatment by prayer or spiritual means in accordance with the creed or tenets of any church  
72.21 or denomination.

72.22 (j) "Medical or dental practice" means a business that:

72.23 (1) earns revenue by providing medical care or dental services to the public;

72.24 (2) issues payment claims to health plan companies and other payers; and

72.25 (3) may be identified by its federal tax identification number.

72.26 (k) "Outpatient surgical center" means a health care facility other than a hospital offering  
72.27 elective outpatient surgery under a license issued under sections 144.50 to 144.58.

72.28 (l) "Standard charge" means the regular rate established by the medical or dental practice  
72.29 for an item or service provided to a specific group of paying patients. This includes all of  
72.30 the following:



73.1 (1) the charge for an individual item or service that is reflected on a medical or dental  
73.2 practice's chargemaster, absent any discounts;

73.3 (2) the charge that a medical or dental practice has negotiated with a third-party payer  
73.4 for an item or service;

73.5 (3) the lowest charge that a medical or dental practice has negotiated with all third-party  
73.6 payers for an item or service;

73.7 (4) the highest charge that a medical or dental practice has negotiated with all third-party  
73.8 payers for an item or service; and

73.9 (5) the charge that applies to an individual who pays cash, or cash equivalent, for an  
73.10 item or service.

73.11 **Subd. 2. Requirement; current standard charges.** The following medical or dental  
73.12 practices must make available to the public a list of their current standard charges for all  
73.13 items and services, as reflected in the medical or dental practice's chargemaster, provided  
73.14 by the medical or dental practice:

73.15 (1) hospitals;

73.16 (2) outpatient surgical centers; and

73.17 (3) any other medical or dental practice that has revenue of greater than \$50,000,000  
73.18 per year and that derives the majority of its revenue by providing one or more of the following  
73.19 services:

73.20 (i) diagnostic radiology services;

73.21 (ii) diagnostic laboratory testing;

73.22 (iii) orthopedic surgical procedures, including joint arthroplasty procedures within the  
73.23 CPT code range of 26990 to 27899;

73.24 (iv) ophthalmologic surgical procedures, including cataract surgery coded using CPT  
73.25 code 66982 or 66984, or refractive correction surgery to improve visual acuity;

73.26 (v) anesthesia services commonly provided as an ancillary to services provided at a  
73.27 hospital, outpatient surgical center, or medical practice that provides orthopedic surgical  
73.28 procedures or ophthalmologic surgical procedures;

73.29 (vi) oncology services, including radiation oncology treatments within the CPT code  
73.30 range of 77261 to 77799 and drug infusions; or

73.31 (vii) dental services.

74.1 Subd. 3. **Required file format and content.** (a) A medical or dental practice that is  
74.2 subject to this section must make available to the public, and must report to the commissioner,  
74.3 current standard charges using the format and data elements specified in the currently  
74.4 effective version of the Hospital Price Transparency Sample Format (Tall) (CSV) and related  
74.5 data dictionary recommended for hospitals by the Centers for Medicare and Medicaid  
74.6 Services (CMS). If CMS modifies or replaces the specifications for this format, the form  
74.7 of this file must be modified or replaced to conform with the new CMS specifications by  
74.8 the date specified by CMS for compliance with its new specifications. All prices included  
74.9 in the file must be expressed as dollar amounts. The data must be in the form of a comma  
74.10 separated values file which can be directly imported, without further editing or remediation,  
74.11 into a relational database table which has been designed to receive these files. The medical  
74.12 or dental practice must make the file available to the public in a manner specified by the  
74.13 commissioner and must report the file to the commissioner in a manner and frequency  
74.14 specified by the commissioner.

74.15 (b) A medical or dental practice must test its file for compliance with paragraph (a)  
74.16 before making the file available to the public and reporting the file to the commissioner.

74.17 (c) A hospital must comply with this section no later than January 1, 2024. A medical  
74.18 or dental practice that meets the requirements in subdivision 2, clause (3), or an outpatient  
74.19 surgical center must comply with this section no later than January 1, 2025.

74.20 Sec. 14. Minnesota Statutes 2022, section 62J.84, subdivision 2, is amended to read:

74.21 Subd. 2. **Definitions.** (a) For purposes of this section and section 62J.841, the terms  
74.22 defined in this subdivision have the meanings given.

74.23 (b) "Biosimilar" means a drug that is produced or distributed pursuant to a biologics  
74.24 license application approved under United States Code, title 42, section 262(K)(3).

74.25 (c) "Brand name drug" means a drug that is produced or distributed pursuant to:

74.26 (1) an original, new drug application approved under United States Code, title 21, section  
74.27 355(c), except for a generic drug as defined under Code of Federal Regulations, title 42,  
74.28 section 447.502; or

74.29 (2) a biologics license application approved under United States Code, title 45, section  
74.30 262(a)(c).

74.31 (d) "Commissioner" means the commissioner of health.

74.32 (e) "Generic drug" means a drug that is marketed or distributed pursuant to:

75.1 (1) an abbreviated new drug application approved under United States Code, title 21,  
75.2 section 355(j);

75.3 (2) an authorized generic as defined under Code of Federal Regulations, title 45, section  
75.4 447.502; or

75.5 (3) a drug that entered the market the year before 1962 and was not originally marketed  
75.6 under a new drug application.

75.7 (f) "Manufacturer" means a drug manufacturer licensed under section 151.252, but does  
75.8 not include an entity required to be licensed under that section solely because the entity  
75.9 repackages or relabels drugs. The provisions of this paragraph shall not be severable from  
75.10 section 62Q.83. If this paragraph or its application to any individual, entity, or circumstance  
75.11 is found to be void for any reason, section 62Q.83 shall be void also.

75.12 (g) "New prescription drug" or "new drug" means a prescription drug approved for  
75.13 marketing by the United States Food and Drug Administration for which no previous  
75.14 wholesale acquisition cost has been established for comparison.

75.15 (h) "Patient assistance program" means a program that a manufacturer offers to the public  
75.16 in which a consumer may reduce the consumer's out-of-pocket costs for prescription drugs  
75.17 by using coupons, discount cards, prepaid gift cards, manufacturer debit cards, or by other  
75.18 means.

75.19 (i) "Prescription drug" or "drug" has the meaning provided in section 151.441, subdivision  
75.20 8.

75.21 (j) "Price" means the wholesale acquisition cost as defined in United States Code, title  
75.22 42, section 1395w-3a(c)(6)(B).

75.23 Sec. 15. Minnesota Statutes 2022, section 62J.84, subdivision 6, is amended to read:

75.24 Subd. 6. **Public posting of prescription drug price information.** (a) The commissioner  
75.25 shall post on the department's website, or may contract with a private entity or consortium  
75.26 that satisfies the standards of section 62U.04, subdivision 6, to meet this requirement, the  
75.27 following information:

75.28 (1) a list of the prescription drugs reported under subdivisions 3, 4, and 5, and the  
75.29 manufacturers of those prescription drugs; ~~and~~

75.30 (2) information reported to the commissioner under subdivisions 3, 4, and 5; ~~and~~ and

75.31 (3) information reported to the commissioner under section 62J.841, subdivision 2.

76.1 (b) The information must be published in an easy-to-read format and in a manner that  
76.2 identifies the information that is disclosed on a per-drug basis and must not be aggregated  
76.3 in a manner that prevents the identification of the prescription drug.

76.4 (c) The commissioner shall not post to the department's website or a private entity  
76.5 contracting with the commissioner shall not post any information described in this section  
76.6 if the information is not public data under section 13.02, subdivision 8a; or, subject to section  
76.7 62J.841, subdivision 2, paragraph (e), is trade secret information under section 13.37,  
76.8 subdivision 1, paragraph (b); or, subject to section 62J.841, subdivision 2, paragraph (e),  
76.9 is trade secret information pursuant to the Defend Trade Secrets Act of 2016, United States  
76.10 Code, title 18, section 1836, as amended. If a manufacturer believes information should be  
76.11 withheld from public disclosure pursuant to this paragraph, the manufacturer must clearly  
76.12 and specifically identify that information and describe the legal basis in writing when the  
76.13 manufacturer submits the information under this section. If the commissioner disagrees  
76.14 with the manufacturer's request to withhold information from public disclosure, the  
76.15 commissioner shall provide the manufacturer written notice that the information will be  
76.16 publicly posted 30 days after the date of the notice.

76.17 (d) If the commissioner withholds any information from public disclosure pursuant to  
76.18 this subdivision, the commissioner shall post to the department's website a report describing  
76.19 the nature of the information and the commissioner's basis for withholding the information  
76.20 from disclosure.

76.21 (e) To the extent the information required to be posted under this subdivision is collected  
76.22 and made available to the public by another state, by the University of Minnesota, or through  
76.23 an online drug pricing reference and analytical tool, the commissioner may reference the  
76.24 availability of this drug price data from another source including, within existing  
76.25 appropriations, creating the ability of the public to access the data from the source for  
76.26 purposes of meeting the reporting requirements of this subdivision.

76.27 (f) The provisions in this subdivision referencing 62J.841 shall not be severable from  
76.28 section 62Q.83. If any reference to section 62J.841 or its application to any individual,  
76.29 entity, or circumstance is found to be void for any reason, section 62Q.83 shall be void also.

76.30 Sec. 16. Minnesota Statutes 2022, section 62J.84, subdivision 7, is amended to read:

76.31 Subd. 7. **Consultation.** (a) The commissioner may consult with a private entity or  
76.32 consortium that satisfies the standards of section 62U.04, subdivision 6, the University of  
76.33 Minnesota, or the commissioner of commerce, as appropriate, in issuing the form and format  
76.34 of the information reported under this section and section 62J.841; in posting information

77.1 pursuant to subdivision 6; and in taking any other action for the purpose of implementing  
77.2 this section and section 62J.841.

77.3 (b) The commissioner may consult with representatives of the manufacturers to establish  
77.4 a standard format for reporting information under this section and section 62J.841 and may  
77.5 use existing reporting methodologies to establish a standard format to minimize  
77.6 administrative burdens to the state and manufacturers.

77.7 (c) The provisions in this subdivision referencing 62J.841 shall not be severable from  
77.8 section 62Q.83. If any reference to section 62J.841 or its application to any individual,  
77.9 entity, or circumstance is found to be void for any reason, section 62Q.83 shall be void also.

77.10 Sec. 17. Minnesota Statutes 2022, section 62J.84, subdivision 8, is amended to read:

77.11 Subd. 8. **Enforcement and penalties.** (a) A manufacturer may be subject to a civil  
77.12 penalty, as provided in paragraph (b), for:

77.13 (1) failing to submit timely reports or notices as required by this section and section  
77.14 62J.841;

77.15 (2) failing to provide information required under this section and section 62J.841; ~~or~~

77.16 (3) providing inaccurate or incomplete information under this section and section 62J.841;  
77.17 or

77.18 (4) failing to comply with section 62J.841, subdivisions 2, paragraph (e), and 4.

77.19 (b) The commissioner shall adopt a schedule of civil penalties, not to exceed \$10,000  
77.20 per day of violation, based on the severity of each violation.

77.21 (c) The commissioner shall impose civil penalties under this section and section 62J.841  
77.22 as provided in section 144.99, subdivision 4.

77.23 (d) The commissioner may remit or mitigate civil penalties under this section and section  
77.24 62J.841 upon terms and conditions the commissioner considers proper and consistent with  
77.25 public health and safety.

77.26 (e) Civil penalties collected under this section and section 62J.841 shall be deposited in  
77.27 the health care access fund.

77.28 (f) The provisions in this subdivision referencing 62J.841 shall not be severable from  
77.29 section 62Q.83. If any reference to section 62J.841 or its application to any individual,  
77.30 entity, or circumstance is found to be void for any reason, section 62Q.83 shall be void also.

78.1 Sec. 18. Minnesota Statutes 2022, section 62J.84, subdivision 9, is amended to read:

78.2 Subd. 9. **Legislative report.** (a) No later than May 15, ~~2022~~ 2024, and by January 15  
78.3 of each year thereafter, the commissioner shall report to the chairs and ranking minority  
78.4 members of the legislative committees with jurisdiction over commerce and health and  
78.5 human services policy and finance on the implementation of this section and section 62J.841,  
78.6 including but not limited to the effectiveness in addressing the following goals:

78.7 (1) promoting transparency in pharmaceutical pricing for the state, health carriers, and  
78.8 other payers;

78.9 (2) enhancing the understanding on pharmaceutical spending trends; and

78.10 (3) assisting the state, health carriers, and other payers in the management of  
78.11 pharmaceutical costs and limiting formulary changes due to prescription drug cost increases  
78.12 during a coverage year.

78.13 (b) The report must include a summary of the information submitted to the commissioner  
78.14 under subdivisions 3, 4, and 5, and section 62J.841.

78.15 (c) The provisions in this subdivision shall not be severable from section 62Q.83. If this  
78.16 subdivision or its application to any individual, entity, or circumstance is found to be void  
78.17 for any reason, section 62Q.83 shall be void also.

78.18 Sec. 19. **[62J.841] REPORTING PRESCRIPTION DRUG PRICES; FORMULARY**  
78.19 **DEVELOPMENT AND PRICE STABILITY.**

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

78.22 (b) "Average wholesale price" means the customary reference price for sales by a drug  
78.23 wholesaler to a retail pharmacy, as established and published by the manufacturer.

78.24 (c) "National drug code" means the numerical code maintained by the United States  
78.25 Food and Drug Administration and includes the label code, product code, and package code.

78.26 (d) "Wholesale acquisition cost" has the meaning given in United States Code, title 42,  
78.27 section 1395w-3a(c)(6)(B).

78.28 (e) "Unit" has the meaning given in United States Code, title 42, section 1395w-3a(b)(2).

78.29 Subd. 2. **Price reporting.** (a) Beginning July 31, 2024, and by July 31 of each year  
78.30 thereafter, a manufacturer must report to the commissioner the information in paragraph

79.1 (b) for every drug with a wholesale acquisition cost of \$100 or more for a 30-day supply  
79.2 or for a course of treatment lasting less than 30 days, as applicable to the next calendar year.

79.3 (b) A manufacturer shall report a drug's:

79.4 (1) national drug code, labeler code, and the manufacturer name associated with the  
79.5 labeler code;

79.6 (2) brand name, if applicable;

79.7 (3) generic name, if applicable;

79.8 (4) wholesale acquisition cost for one unit;

79.9 (5) measure that constitutes a wholesale acquisition cost unit;

79.10 (6) average wholesale price; and

79.11 (7) status as brand name or generic.

79.12 (c) The effective date of the information described in paragraph (b) must be included in  
79.13 the report to the commissioner.

79.14 (d) A manufacturer must report the information described in this subdivision in the form  
79.15 and manner specified by the commissioner.

79.16 (e) Information reported under this subdivision is classified as public data not on  
79.17 individuals, as defined in section 13.02, subdivision 14, and must not be classified by the  
79.18 manufacturer as trade secret information, as defined in section 13.37, subdivision 1, paragraph  
79.19 (b).

79.20 (f) A manufacturer's failure to report the information required by this subdivision is  
79.21 grounds for disciplinary action under section 151.071, subdivision 2.

79.22 Subd. 3. **Public posting of prescription drug price information.** By October 1 of each  
79.23 year, beginning October 1, 2024, the commissioner must post the information reported  
79.24 under subdivision 2 on the department's website, as required by section 62J.84, subdivision  
79.25 6.

79.26 Subd. 4. **Price change.** (a) If a drug subject to price reporting under subdivision 2 is  
79.27 included in the formulary of a health plan submitted to and approved by the commissioner  
79.28 of commerce for the next calendar year under section 62A.02, subdivision 1, the manufacturer  
79.29 may increase the wholesale acquisition cost of the drug for the next calendar year only after  
79.30 providing the commissioner with at least 90 days written notice.

80.1 (b) A manufacturer's failure to meet the requirements of paragraph (a) is grounds for  
80.2 disciplinary action under section 151.071, subdivision 2.

80.3 Subd. 5 **Not severable.** The provisions of this section shall not be severable from section  
80.4 62Q.83. If any provision of this section or its application to any individual, entity, or  
80.5 circumstance is found to be void for any reason, section 62Q.83 shall be void also.

80.6 Sec. 20. **[62Q.451] UNRESTRICTED ACCESS TO SERVICES FOR THE**  
80.7 **DIAGNOSIS, MONITORING, AND TREATMENT OF RARE DISEASES.**

80.8 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
80.9 the meanings given.

80.10 (b) "Rare disease or condition" means any disease or condition:

80.11 (1) that affects fewer than 200,000 persons in the United States and is chronic, serious,  
80.12 life-altering, or life-threatening;

80.13 (2) that affects more than 200,000 persons in the United States and a drug for treatment  
80.14 has been designated as a drug for a rare disease or condition pursuant to United States Code,  
80.15 title 21, section 360bb;

80.16 (3) that is labeled as a rare disease or condition on the Genetic and Rare Diseases  
80.17 Information Center list created by the National Institutes of Health; or

80.18 (4) for which an enrollee:

80.19 (i) has received two or more clinical consultations from a primary care provider or  
80.20 specialty provider that are specific to the presenting complaint;

80.21 (ii) has documentation in the enrollee's medical record of a developmental delay through  
80.22 standardized assessment, developmental regression, failure to thrive, or progressive  
80.23 multisystemic involvement; and

80.24 (iii) had laboratory or clinical testing that failed to provide a definitive diagnosis or  
80.25 resulted in conflicting diagnoses.

80.26 A rare disease or condition does not include an infectious disease that has widely available  
80.27 and known protocols for diagnosis and treatment and that is commonly treated in a primary  
80.28 care setting, even if it affects less than 200,000 persons in the United States.

80.29 Subd. 2. **Unrestricted access.** (a) No health plan company may restrict the choice of an  
80.30 enrollee as to where the enrollee receives services from a licensed health care provider  
80.31 related to the diagnosis, monitoring, and treatment of a rare disease or condition, including



81.1 but not limited to additional restrictions through any prior authorization, preauthorization,  
81.2 prior approval, precertification process, increased fees, or other methods.

81.3 (b) Any services provided, referred for, or ordered by an out-of-network provider for  
81.4 an enrollee who, before receiving and being notified of a definitive diagnosis, satisfied the  
81.5 requirements in subdivision 1, paragraph (b), clause (4), are governed by paragraph (c),  
81.6 even if the subsequent definitive diagnosis does not meet the definition of rare disease or  
81.7 condition in subdivision 1, paragraph (b), clause (1), (2), or (3). Once the enrollee is  
81.8 definitively diagnosed with a disease or condition that does not meet the definition of rare  
81.9 disease or condition in subdivision 1, paragraph (b), clause (1), (2), or (3), and the enrollee  
81.10 or a parent or guardian of a minor enrollee has been notified of the diagnosis, any services  
81.11 provided, referred for, or ordered by an out-of-network provider related to the diagnosis are  
81.12 governed by paragraph (c) for up to 60 days, providing time for care to be transferred to a  
81.13 qualified in-network provider and to schedule needed in-network appointments. After this  
81.14 60-day period, subsequent services provided, referred for, or ordered by an out-of-network  
81.15 provider related to the diagnosis are no longer governed by paragraph (c).

81.16 (c) Cost-sharing requirements and benefit or services limitations for the diagnosis and  
81.17 treatment of a rare disease or condition must not place a greater financial burden on the  
81.18 enrollee or be more restrictive than those requirements for in-network medical treatment.

81.19 (d) A health plan company must provide enrollees with written information on the content  
81.20 and application of this section and must train customer service representatives on the content  
81.21 and application of this section.

81.22 **Subd. 3. Coverage; prior authorization.** (a) Nothing in this section requires a health  
81.23 plan company to provide coverage for a medication, procedure or treatment, or laboratory  
81.24 or clinical testing, that is not covered under the enrollee's health plan.

81.25 (b) Coverage for a service must not be denied solely on the basis that it was provided,  
81.26 referred for, or ordered by an out-of-network provider.

81.27 (c) Any prior authorization requirements for a service that is provided by, referred for,  
81.28 or ordered by an out-of-network provider must be the same as any prior authorization  
81.29 requirements for a service that is provided by, referred for, or ordered by an in-network  
81.30 provider.

81.31 **Subd. 4. Payments to out-of-network providers for services provided in this state.** (a)  
81.32 If a health plan company has an established contractual payment under a health plan in the  
81.33 commercial insurance market with an out-of-network provider for a service provided in  
81.34 Minnesota related to the diagnosis, monitoring, and treatment of a rare disease or condition,

82.1 across any of the health plan's networks, then the provider shall accept the established  
82.2 contractual payment for that service as payment in full.

82.3 (b) If a health plan company does not have an established contractual payment under a  
82.4 health plan in the commercial insurance market with an out-of-network provider for a service  
82.5 provided in Minnesota related to the diagnosis, monitoring, and treatment of a rare disease  
82.6 or condition, across any of the health plan's networks, then the provider shall accept:

82.7 (1) the provider's established rate for uninsured patients for that service as payment in  
82.8 full; or

82.9 (2) if the provider does not have an established rate for uninsured patients for that service,  
82.10 then the average commercial insurance rate the health plan company has paid for that service  
82.11 in this state over the past 12 months as payment in full.

82.12 (d) If the payment amount is determined under paragraph (b), clause (2), and the health  
82.13 plan company has not paid for that service in this state within the past 12 months, then the  
82.14 health plan company shall pay the lesser of the following:

82.15 (1) the average rate in the commercial insurance market the health plan company paid  
82.16 for that service across all states over the past 12 months; or

82.17 (2) the provider's standard charge.

82.18 (e) This subdivision does not apply to managed care organizations or county-based  
82.19 purchasing plans when the plan provides coverage to public health care program enrollees  
82.20 under chapters 256B or 256L.

82.21 **Subd. 5. Payments to out-of-network providers when services are provided outside**  
82.22 **of the state.** (a) If a health plan company has an established contractual payment under a  
82.23 health plan in the commercial insurance market with an out-of-network provider for a service  
82.24 provided in another state related to the diagnosis, monitoring, and treatment of a rare disease  
82.25 or condition, across any of the health plan's networks in the state where the service is  
82.26 provided, then the health plan company shall pay the established contractual payment for  
82.27 that service.

82.28 (b) If a health plan company does not have an established contractual payment under a  
82.29 health plan in the commercial insurance market with an out-of-network provider for a service  
82.30 provided in another state related to the diagnosis, monitoring, and treatment of a rare disease  
82.31 or condition, across any of the health plan's networks in the state where the service is  
82.32 provided, then the health plan company shall pay:

82.33 (1) the provider's established rate for uninsured patients for that service; or

83.1 (2) if the provider does not have an established rate for uninsured patients for that service,  
 83.2 then the average commercial insurance rate the health plan company has paid for that service  
 83.3 in the state where the service is provided over the past 12 months.

83.4 (c) If the payment amount is determined under paragraph (b), clause (2), and the health  
 83.5 plan company has not paid for that service in the state where the service is provided within  
 83.6 the past 12 months, then the health plan company shall pay the lesser of the following:

83.7 (1) the average commercial insurance rate the health plan company has paid for that  
 83.8 service across all states over the last 12 months; or

83.9 (2) the provider's standard charge.

83.10 (d) This subdivision does not apply to managed care organizations or county-based  
 83.11 purchasing plans when the plan provides coverage to public health care program enrollees  
 83.12 under chapter 256B or 256L.

83.13 Subd. 6. **Exclusions.** (a) This section does not apply to health care coverage offered by  
 83.14 the State Employee Group Insurance Program.

83.15 (b) This section does not apply to medications obtained from a retail pharmacy as defined  
 83.16 in section 62W.02, subdivision 18.

83.17 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to health  
 83.18 plans offered, issued, or renewed on or after that date.

83.19 Sec. 21. Minnesota Statutes 2022, section 62K.10, subdivision 4, is amended to read:

83.20 Subd. 4. **Network adequacy.** (a) Each designated provider network must include a  
 83.21 sufficient number and type of providers, including providers that specialize in mental health  
 83.22 and substance use disorder services, to ensure that covered services are available to all  
 83.23 enrollees without unreasonable delay. In determining network adequacy, the commissioner  
 83.24 of health shall consider availability of services, including the following:

83.25 (1) primary care physician services are available and accessible 24 hours per day, seven  
 83.26 days per week, within the network area;

83.27 (2) a sufficient number of primary care physicians have hospital admitting privileges at  
 83.28 one or more participating hospitals within the network area so that necessary admissions  
 83.29 are made on a timely basis consistent with generally accepted practice parameters;

83.30 (3) specialty physician service is available through the network or contract arrangement;

84.1 (4) mental health and substance use disorder treatment providers, including but not  
 84.2 limited to psychiatric residential treatment facilities, are available and accessible through  
 84.3 the network or contract arrangement;

84.4 (5) to the extent that primary care services are provided through primary care providers  
 84.5 other than physicians, and to the extent permitted under applicable scope of practice in state  
 84.6 law for a given provider, these services shall be available and accessible; and

84.7 (6) the network has available, either directly or through arrangements, appropriate and  
 84.8 sufficient personnel, physical resources, and equipment to meet the projected needs of  
 84.9 enrollees for covered health care services.

84.10 (b) The commissioner may establish sufficiency by referencing any reasonable criteria,  
 84.11 which includes but is not limited to:

84.12 (1) ratios of providers to enrollees by specialty;

84.13 (2) ratios of primary care professionals to enrollees;

84.14 (3) geographic accessibility of providers;

84.15 (4) waiting times for an appointment with participating providers;

84.16 (5) hours of operation;

84.17 (6) the ability of the network to meet the needs of enrollees that are:

84.18 (i) low-income persons;

84.19 (ii) children and adults with serious, chronic, or complex health conditions, physical  
 84.20 disabilities, or mental illness; or

84.21 (iii) persons with limited English proficiency and persons from underserved communities;

84.22 (7) other health care service delivery system options, including telemedicine or telehealth,  
 84.23 mobile clinics, centers of excellence, and other ways of delivering care; and

84.24 (8) the volume of technological and specialty care services available to serve the needs  
 84.25 of enrollees that need technologically advanced or specialty care services.

84.26 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
 84.27 plans offered, issued, or renewed on or after that date.

84.28 Sec. 22. **[62Q.473] BIOMARKER TESTING.**

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

85.1 (b) "Biomarker" means a characteristic that is objectively measured and evaluated as an  
85.2 indicator of normal biological processes, pathogenic processes, or pharmacologic responses  
85.3 to a specific therapeutic intervention, including but not limited to known gene-drug  
85.4 interactions for medications being considered for use or already being administered.  
85.5 Biomarkers include but are not limited to gene mutations, characteristics of genes, or protein  
85.6 expression.

85.7 (c) "Biomarker testing" means the analysis of an individual's tissue, blood, or other  
85.8 biospecimen for the presence of a biomarker. Biomarker testing includes but is not limited  
85.9 to single-analyst tests; multiplex panel tests; protein expression; and whole exome, whole  
85.10 genome, and whole transcriptome sequencing.

85.11 (d) "Clinical utility" means a test provides information that is used to formulate a  
85.12 treatment or monitoring strategy that informs a patient's outcome and impacts the clinical  
85.13 decision. The most appropriate test may include information that is actionable and some  
85.14 information that cannot be immediately used to formulate a clinical decision.

85.15 (e) "Consensus statement" means a statement that: (1) describes optimal clinical care  
85.16 outcomes, based on the best available evidence, for a specific clinical circumstance; and  
85.17 (2) is developed by an independent, multidisciplinary panel of experts that: (i) uses a rigorous  
85.18 and validated development process that includes a transparent methodology and reporting  
85.19 structure; and (ii) strictly adheres to the panel's conflict of interest policy.

85.20 (f) "Nationally recognized clinical practice guideline" means an evidence-based clinical  
85.21 practice guideline that: (1) establishes a standard of care informed by (i) a systematic review  
85.22 of evidence, and (ii) an assessment of the risks and benefits of alternative care options; and  
85.23 (2) is developed by an independent organization or medical professional society that: (i)  
85.24 uses a transparent methodology and reporting structure; and (ii) adheres to a conflict of  
85.25 interest policy. Nationally recognized clinical practice guideline includes recommendations  
85.26 to optimize patient care.

85.27 Subd. 2. **Biomarker testing; coverage required.** (a) A health plan must provide coverage  
85.28 for biomarker testing to diagnose, treat, manage, and monitor illness or disease if the test  
85.29 provides clinical utility. For purposes of this section, a test's clinical utility may be  
85.30 demonstrated by medical and scientific evidence, including but not limited to:

85.31 (1) nationally recognized clinical practice guidelines as defined in this section;

85.32 (2) consensus statements as defined in this section;

86.1 (3) labeled indications for a United States Food and Drug Administration (FDA) approved  
 86.2 or FDA-cleared test, indicated tests for an FDA-approved drug, or adherence to warnings  
 86.3 and precautions on FDA-approved drug labels; or

86.4 (4) Centers for Medicare and Medicaid Services national coverage determinations or  
 86.5 Medicare Administrative Contractor local coverage determinations.

86.6 (b) Coverage under this section must be provided in a manner that limits disruption of  
 86.7 care, including the need for multiple biopsies or biospecimen samples.

86.8 (c) Nothing in this section prohibits a health plan company from requiring a prior  
 86.9 authorization or imposing other utilization controls when approving coverage for biomarker  
 86.10 testing.

86.11 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health  
 86.12 plans offered, issued, or renewed on or after that date.

86.13 Sec. 23. **[62Q.522] COVERAGE OF CONTRACEPTIVE METHODS AND**  
 86.14 **SERVICES.**

86.15 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

86.16 (b) "Closely held for-profit entity" means an entity that:

86.17 (1) is not a nonprofit entity;

86.18 (2) has more than 50 percent of the value of its ownership interest owned directly or  
 86.19 indirectly by five or fewer owners; and

86.20 (3) has no publicly traded ownership interest.

86.21 For purposes of this paragraph:

86.22 (i) ownership interests owned by a corporation, partnership, limited liability company,  
 86.23 estate, trust, or similar entity are considered owned by that entity's shareholders, partners,  
 86.24 members, or beneficiaries in proportion to their interest held in the corporation, partnership,  
 86.25 limited liability company, estate, trust, or similar entity;

86.26 (ii) ownership interests owned by a nonprofit entity are considered owned by a single  
 86.27 owner;

86.28 (iii) ownership interests owned by all individuals in a family are considered held by a  
 86.29 single owner. For purposes of this item, "family" means brothers and sisters, including  
 86.30 half-brothers and half-sisters, a spouse, ancestors, and lineal descendants; and

87.1 (iv) if an individual or entity holds an option, warrant, or similar right to purchase an  
87.2 ownership interest, the individual or entity is considered to be the owner of those ownership  
87.3 interests.

87.4 (c) "Contraceptive method" means a drug, device, or other product approved by the Food  
87.5 and Drug Administration to prevent unintended pregnancy.

87.6 (d) "Contraceptive service" means consultation, examination, procedures, and medical  
87.7 services related to the prevention of unintended pregnancy, excluding vasectomies. This  
87.8 includes but is not limited to voluntary sterilization procedures, patient education, counseling  
87.9 on contraceptives, and follow-up services related to contraceptive methods or services,  
87.10 management of side effects, counseling for continued adherence, and device insertion or  
87.11 removal.

87.12 (e) "Eligible organization" means an organization that opposes providing coverage for  
87.13 some or all contraceptive methods or services on account of religious objections and that  
87.14 is:

87.15 (1) organized as a nonprofit entity and holds itself out to be religious; or

87.16 (2) organized and operates as a closely held for-profit entity, and the organization's  
87.17 owners or highest governing body has adopted, under the organization's applicable rules of  
87.18 governance and consistent with state law, a resolution or similar action establishing that the  
87.19 organization objects to covering some or all contraceptive methods or services on account  
87.20 of the owners' sincerely held religious beliefs.

87.21 (f) "Exempt organization" means an organization that is organized and operates as a  
87.22 nonprofit entity and meets the requirements of section 6033(a)(3)(A)(i) or (iii) of the Internal  
87.23 Revenue Code of 1986, as amended.

87.24 (g) "Medical necessity" includes but is not limited to considerations such as severity of  
87.25 side effects, difference in permanence and reversability of a contraceptive method or service,  
87.26 and ability to adhere to the appropriate use of the contraceptive method or service, as  
87.27 determined by the attending provider.

87.28 (h) "Therapeutic equivalent version" means a drug, device, or product that can be expected  
87.29 to have the same clinical effect and safety profile when administered to a patient under the  
87.30 conditions specified in the labeling, and that:

87.31 (1) is approved as safe and effective;

88.1 (2) is a pharmaceutical equivalent: (i) containing identical amounts of the same active  
88.2 drug ingredient in the same dosage form and route of administration; and (ii) meeting  
88.3 compendial or other applicable standards of strength, quality, purity, and identity;

88.4 (3) is bioequivalent in that:

88.5 (i) the drug, device, or product does not present a known or potential bioequivalence  
88.6 problem and meets an acceptable in vitro standard; or

88.7 (ii) if the drug, device, or product does present a known or potential bioequivalence  
88.8 problem, it is shown to meet an appropriate bioequivalence standard;

88.9 (4) is adequately labeled; and

88.10 (5) is manufactured in compliance with current manufacturing practice regulations.

88.11 Subd. 2. **Required coverage; cost sharing prohibited.** (a) A health plan must provide  
88.12 coverage for contraceptive methods and services.

88.13 (b) A health plan company must not impose cost-sharing requirements, including copays,  
88.14 deductibles, or coinsurance, for contraceptive methods or services.

88.15 (c) A health plan company must not impose any referral requirements, restrictions, or  
88.16 delays for contraceptive methods or services.

88.17 (d) A health plan must include at least one of each type of Food and Drug Administration  
88.18 approved contraceptive method in its formulary. If more than one therapeutic equivalent  
88.19 version of a contraceptive method is approved, a health plan must include at least one  
88.20 therapeutic equivalent version in its formulary, but is not required to include all therapeutic  
88.21 equivalent versions.

88.22 (e) For each health plan, a health plan company must list the contraceptive methods and  
88.23 services that are covered without cost-sharing in a manner that is easily accessible to  
88.24 enrollees, health care providers, and representatives of health care providers. The list for  
88.25 each health plan must be promptly updated to reflect changes to the coverage.

88.26 (f) If an enrollee's attending provider recommends a particular contraceptive method or  
88.27 service based on a determination of medical necessity for that enrollee, the health plan must  
88.28 cover that contraceptive method or service without cost-sharing. The health plan company  
88.29 issuing the health plan must defer to the attending provider's determination that the particular  
88.30 contraceptive method or service is medically necessary for the enrollee.

88.31 Subd. 3. **Exemption.** (a) An exempt organization is not required to cover contraceptives  
88.32 or contraceptive services if the exempt organization has religious objections to the coverage.



89.1 An exempt organization that chooses to not provide coverage for some or all contraceptives  
89.2 and contraceptive services must notify employees as part of the hiring process and to all  
89.3 employees at least 30 days before:

89.4 (1) an employee enrolls in the health plan; or

89.5 (2) the effective date of the health plan, whichever occurs first.

89.6 (b) If the exempt organization provides coverage for some contraceptive methods or  
89.7 services, the notice required under paragraph (a) must provide a list of the contraceptive  
89.8 methods or services the organization refuses to cover.

89.9 Subd. 4. **Accommodation for eligible organizations.** (a) A health plan established or  
89.10 maintained by an eligible organization complies with the requirements of subdivision 2 to  
89.11 provide coverage of contraceptive methods and services, with respect to the contraceptive  
89.12 methods or services identified in the notice under this paragraph, if the eligible organization  
89.13 provides notice to any health plan company the eligible organization contracts with that it  
89.14 is an eligible organization and that the eligible organization has a religious objection to  
89.15 coverage for all or a subset of contraceptive methods or services.

89.16 (b) The notice from an eligible organization to a health plan company under paragraph  
89.17 (a) must include: (1) the name of the eligible organization; (2) a statement that it objects to  
89.18 coverage for some or all of contraceptive methods or services, including a list of the  
89.19 contraceptive methods or services the eligible organization objects to, if applicable; and (3)  
89.20 the health plan name. The notice must be executed by a person authorized to provide notice  
89.21 on behalf of the eligible organization.

89.22 (c) An eligible organization must provide a copy of the notice under paragraph (a) to  
89.23 prospective employees as part of the hiring process and to all employees at least 30 days  
89.24 before:

89.25 (1) an employee enrolls in the health plan; or

89.26 (2) the effective date of the health plan, whichever occurs first.

89.27 (d) A health plan company that receives a copy of the notice under paragraph (a) with  
89.28 respect to a health plan established or maintained by an eligible organization must, for all  
89.29 future enrollments in the health plan:

89.30 (1) expressly exclude coverage for those contraceptive methods or services identified  
89.31 in the notice under paragraph (a) from the health plan; and

90.1 (2) provide separate payments for any contraceptive methods or services required to be  
90.2 covered under subdivision 2 for enrollees as long as the enrollee remains enrolled in the  
90.3 health plan.

90.4 (e) The health plan company must not impose any cost-sharing requirements, including  
90.5 copays, deductibles, or coinsurance, or directly or indirectly impose any premium, fee, or  
90.6 other charge for contraceptive services or methods on the eligible organization, health plan,  
90.7 or enrollee.

90.8 (f) On January 1, 2024, and every year thereafter a health plan company must notify the  
90.9 commissioner, in a manner determined by the commissioner, of the number of eligible  
90.10 organizations granted an accommodation under this subdivision.

90.11 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to coverage  
90.12 offered, sold, issued, or renewed on or after that date.

90.13 **Sec. 24. [62Q.523] COVERAGE FOR PRESCRIPTION CONTRACEPTIVES;**  
90.14 **SUPPLY REQUIREMENTS.**

90.15 Subdivision 1. **Scope of coverage.** Except as otherwise provided in section 62Q.522,  
90.16 subdivisions 3 and 4, all health plans that provide prescription coverage must comply with  
90.17 the requirements of this section.

90.18 Subd. 2. **Definition.** For purposes of this section, "prescription contraceptive" means  
90.19 any drug or device that requires a prescription and is approved by the Food and Drug  
90.20 Administration to prevent pregnancy. Prescription contraceptive does not include an  
90.21 emergency contraceptive drug that prevents pregnancy when administered after sexual  
90.22 contact.

90.23 Subd. 3. **Required coverage.** Health plan coverage for a prescription contraceptive must  
90.24 provide a 12-month supply for any prescription contraceptive if a 12-month supply is  
90.25 prescribed by the prescribing health care provider. The prescribing health care provider  
90.26 must determine the appropriate duration to prescribe the prescription contraceptives for up  
90.27 to 12 months.

90.28 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to coverage  
90.29 offered, sold, issued, or renewed on or after that date.

91.1 Sec. 25. **[62Q.83] PRESCRIPTION DRUG BENEFIT TRANSPARENCY AND**  
91.2 **MANAGEMENT.**

91.3 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
91.4 the meanings given.

91.5 (b) "Drug" has the meaning given in section 151.01, subdivision 5.

91.6 (c) "Enrollee contract term" means the 12-month term during which benefits associated  
91.7 with health plan company products are in effect. For managed care plans and county-based  
91.8 purchasing plans under section 256B.69 and chapter 256L, it means a single calendar year.

91.9 (d) "Formulary" means a list of prescription drugs that has been developed by clinical  
91.10 and pharmacy experts and that represents the health plan company's medically appropriate  
91.11 and cost-effective prescription drugs approved for use.

91.12 (e) "Health plan company" has the meaning given in section 62Q.01, subdivision 4, and  
91.13 includes an entity that performs pharmacy benefits management for the health plan company.  
91.14 For purposes of this definition, "pharmacy benefits management" means the administration  
91.15 or management of prescription drug benefits provided by the health plan company for the  
91.16 benefit of the plan's enrollees and may include but is not limited to procurement of  
91.17 prescription drugs, clinical formulary development and management services, claims  
91.18 processing, and rebate contracting and administration.

91.19 (f) "Prescription" has the meaning given in section 151.01, subdivision 16a.

91.20 Subd. 2. **Prescription drug benefit disclosure.** (a) A health plan company that provides  
91.21 prescription drug benefit coverage and uses a formulary must make the plan's formulary  
91.22 and related benefit information available by electronic means and, upon request, in writing,  
91.23 at least 30 days prior to annual renewal dates.

91.24 (b) Formularies must be organized and disclosed consistent with the most recent version  
91.25 of the United States Pharmacopeia's Model Guidelines.

91.26 (c) For each item or category of items on the formulary, the specific enrollee benefit  
91.27 terms must be identified, including enrollee cost-sharing and expected out-of-pocket costs.

91.28 Subd. 3. **Formulary changes.** (a) Once a formulary has been established, a health plan  
91.29 company may, at any time during the enrollee's contract term:

91.30 (1) expand its formulary by adding drugs to the formulary;

91.31 (2) reduce co-payments or coinsurance; or

91.32 (3) move a drug to a benefit category that reduces an enrollee's cost.

92.1 (b) A health plan company may remove a brand name drug from the plan's formulary  
 92.2 or place a brand name drug in a benefit category that increases an enrollee's cost only upon  
 92.3 the addition to the formulary of a generic or multisource brand name drug rated as  
 92.4 therapeutically equivalent according to the FDA Orange Book or a biologic drug rated as  
 92.5 interchangeable according to the FDA Purple Book at a lower cost to the enrollee, or a  
 92.6 biosimilar as defined by United States Code, title 42, section 262(i)(2), and upon at least a  
 92.7 60-day notice to prescribers, pharmacists, and affected enrollees.

92.8 (c) A health plan company may change utilization review requirements or move drugs  
 92.9 to a benefit category that increases an enrollee's cost during the enrollee's contract term  
 92.10 upon at least a 60-day notice to prescribers, pharmacists, and affected enrollees, provided  
 92.11 that these changes do not apply to enrollees who are currently taking the drugs affected by  
 92.12 these changes for the duration of the enrollee's contract term.

92.13 (d) A health plan company may remove any drugs from the plan's formulary that have  
 92.14 been deemed unsafe by the Food and Drug Administration, that have been withdrawn by  
 92.15 either the Food and Drug Administration or the product manufacturer, or when an  
 92.16 independent source of research, clinical guidelines, or evidence-based standards has issued  
 92.17 drug-specific warnings or recommended changes in drug usage.

92.18 (e) Health plan companies, managed care plans, and county-based purchasing plans  
 92.19 under section 256B.69 and chapter 256L, may update their formulary or preferred drug list  
 92.20 quarterly, provided that these changes do not apply to enrollees who are currently taking  
 92.21 the drugs affected by these changes for the duration of the calendar year.

92.22 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to health  
 92.23 plans offered, sold, issued, or renewed on or after that date.

92.24 Sec. 26. Minnesota Statutes 2022, section 62U.04, subdivision 4, is amended to read:

92.25 Subd. 4. **Encounter data.** (a) All health plan companies, dental organizations, and  
 92.26 third-party administrators shall submit encounter data on a monthly basis to a private entity  
 92.27 designated by the commissioner of health. The data shall be submitted in a form and manner  
 92.28 specified by the commissioner subject to the following requirements:

92.29 (1) the data must be de-identified data as described under the Code of Federal Regulations,  
 92.30 title 45, section 164.514;

92.31 (2) the data for each encounter must include an identifier for the patient's health care  
 92.32 home if the patient has selected a health care home, data on contractual value-based payments.

93.1 ~~and, for claims incurred on or after January 1, 2019,~~ data deemed necessary by the  
 93.2 commissioner to uniquely identify claims in the individual health insurance market; ~~and~~

93.3 (3) the data must include enrollee race and ethnicity, to the extent available, for claims  
 93.4 incurred on or after January 1, 2023; and

93.5 (4) except for the ~~identifier data~~ data described in ~~clause~~ clauses (2) and (3), the data must  
 93.6 not include information that is not included in a health care claim, dental care claim, or  
 93.7 equivalent encounter information transaction that is required under section 62J.536.

93.8 (b) The commissioner or the commissioner's designee shall only use the data submitted  
 93.9 under paragraph (a) to carry out the commissioner's responsibilities in this section, including  
 93.10 supplying the data to providers so they can verify their results of the peer grouping process  
 93.11 consistent with the recommendations developed pursuant to subdivision 3c, paragraph (d),  
 93.12 and adopted by the commissioner and, if necessary, submit comments to the commissioner  
 93.13 or initiate an appeal.

93.14 (c) Data on providers collected under this subdivision are private data on individuals or  
 93.15 nonpublic data, as defined in section 13.02. Notwithstanding the definition of summary data  
 93.16 in section 13.02, subdivision 19, summary data prepared under this subdivision may be  
 93.17 derived from nonpublic data. The commissioner or the commissioner's designee shall  
 93.18 establish procedures and safeguards to protect the integrity and confidentiality of any data  
 93.19 that it maintains.

93.20 (d) The commissioner or the commissioner's designee shall not publish analyses or  
 93.21 reports that identify, or could potentially identify, individual patients.

93.22 (e) The commissioner shall compile summary information on the data submitted under  
 93.23 this subdivision. The commissioner shall work with its vendors to assess the data submitted  
 93.24 in terms of compliance with the data submission requirements and the completeness of the  
 93.25 data submitted by comparing the data with summary information compiled by the  
 93.26 commissioner and with established and emerging data quality standards to ensure data  
 93.27 quality.

93.28 Sec. 27. Minnesota Statutes 2022, section 62U.04, subdivision 5, is amended to read:

93.29 **Subd. 5. Pricing data.** (a) All health plan companies, dental organizations, and third-party  
 93.30 administrators shall submit, on a monthly basis, data on their contracted prices with health  
 93.31 care providers to a private entity designated by the commissioner of health for the purposes  
 93.32 of performing the analyses required under this subdivision. Data on contracted prices  
 93.33 submitted under this paragraph must include data on supplemental contractual value-based

94.1 payments paid to health care providers. The data shall be submitted in the form and manner  
94.2 specified by the commissioner of health.

94.3 (b) The commissioner or the commissioner's designee shall only use the data submitted  
94.4 under this subdivision to carry out the commissioner's responsibilities under this section,  
94.5 including supplying the data to providers so they can verify their results of the peer grouping  
94.6 process consistent with the recommendations developed pursuant to subdivision 3c, paragraph  
94.7 (d), and adopted by the commissioner and, if necessary, submit comments to the  
94.8 commissioner or initiate an appeal.

94.9 (c) Data collected under this subdivision are private data on individuals or nonpublic  
94.10 data as defined in section 13.02. Notwithstanding the definition of summary data in section  
94.11 13.02, subdivision 19, summary data prepared under this section may be derived from  
94.12 nonpublic data. The commissioner shall establish procedures and safeguards to protect the  
94.13 integrity and confidentiality of any data that it maintains.

94.14 Sec. 28. Minnesota Statutes 2022, section 62U.04, subdivision 5a, is amended to read:

94.15 Subd. 5a. **Self-insurers.** (a) The commissioner shall not require a self-insurer governed  
94.16 by the federal Employee Retirement Income Security Act of 1974 (ERISA) to comply with  
94.17 this section.

94.18 (b) A third-party administrator must annually notify the self-insurers whose health plans  
94.19 are administered by the third-party administrator that the self-insurer may elect to have the  
94.20 third-party administrator submit encounter data, data on contracted prices, and data on  
94.21 nonclaims-based payments under subdivisions 4, 5, and 5b, from the self-insurer's health  
94.22 plan for the upcoming plan year. This notice must be provided in a form and manner specified  
94.23 by the commissioner. After receiving responses from self-insurers, a third-party administrator  
94.24 must, in a form and manner specified by the commissioner, report to the commissioner:

94.25 (1) the self-insurers that elected to have the third-party administrator submit encounter  
94.26 data and data on contracted prices from the self-insurer's health plan for the upcoming plan  
94.27 year;

94.28 (2) the self-insurers that declined to have the third-party administrator submit encounter  
94.29 data and data on contracted prices from the self-insurer's health plan for the upcoming plan  
94.30 year; and

94.31 (3) data deemed necessary by the commissioner to identify and track the status of  
94.32 reporting of data from self-insured health plans.

95.1 (c) Data collected under this subdivision are private data on individuals or nonpublic  
 95.2 data as defined in section 13.02. Notwithstanding the definition of summary data in section  
 95.3 13.02, subdivision 19, summary data prepared under this subdivision may be derived from  
 95.4 nonpublic data. The commissioner shall establish procedures and safeguards to protect the  
 95.5 integrity and confidentiality of any data maintained by the commissioner.

95.6 Sec. 29. Minnesota Statutes 2022, section 62U.04, is amended by adding a subdivision to  
 95.7 read:

95.8 Subd. 5b. **Nonclaims-based payments.** (a) Beginning January 1, 2025, all health plan  
 95.9 companies and third-party administrators shall submit to a private entity designated by the  
 95.10 commissioner of health all nonclaims-based payments made to health care providers. The  
 95.11 data shall be submitted in a form, manner, and frequency specified by the commissioner.  
 95.12 Nonclaims-based payments are payments to health care providers designed to pay for value  
 95.13 of health care services over volume of health care services and include alternative payment  
 95.14 models or incentives, payments for infrastructure expenditures or investments, and payments  
 95.15 for workforce expenditures or investments. Nonclaims-based payments submitted under  
 95.16 this subdivision must, to the extent possible, be attributed to a health care provider in the  
 95.17 same manner in which claims-based data are attributed to a health care provider and, where  
 95.18 appropriate, must be combined with data collected under subdivisions 4 to 5a in analyses  
 95.19 of health care spending.

95.20 (b) Data collected under this subdivision are private data on individuals or nonpublic  
 95.21 data as defined in section 13.02. Notwithstanding the definition of summary data in section  
 95.22 13.02, subdivision 19, summary data prepared under this subdivision may be derived from  
 95.23 nonpublic data. The commissioner shall establish procedures and safeguards to protect the  
 95.24 integrity and confidentiality of any data maintained by the commissioner.

95.25 (c) The commissioner shall consult with health plan companies, hospitals, and health  
 95.26 care providers in developing the data reported under this subdivision and standardized  
 95.27 reporting forms.

95.28 Sec. 30. Minnesota Statutes 2022, section 62U.04, subdivision 11, is amended to read:

95.29 Subd. 11. **Restricted uses of the all-payer claims data.** (a) Notwithstanding subdivision  
 95.30 4, paragraph (b), and subdivision 5, paragraph (b), the commissioner or the commissioner's  
 95.31 designee shall only use the data submitted under subdivisions 4 and 5 to 5b for the following  
 95.32 purposes:

96.1 (1) to evaluate the performance of the health care home program as authorized under  
96.2 section 62U.03, subdivision 7;

96.3 (2) to study, in collaboration with the reducing avoidable readmissions effectively  
96.4 (RARE) campaign, hospital readmission trends and rates;

96.5 (3) to analyze variations in health care costs, quality, utilization, and illness burden based  
96.6 on geographical areas or populations;

96.7 (4) to evaluate the state innovation model (SIM) testing grant received by the Departments  
96.8 of Health and Human Services, including the analysis of health care cost, quality, and  
96.9 utilization baseline and trend information for targeted populations and communities; and

96.10 (5) to compile one or more public use files of summary data or tables that must:

96.11 (i) be available to the public for no or minimal cost by March 1, 2016, and available by  
96.12 web-based electronic data download by June 30, 2019;

96.13 (ii) not identify individual patients, payers, or providers;

96.14 (iii) be updated by the commissioner, at least annually, with the most current data  
96.15 available; and

96.16 (iv) contain clear and conspicuous explanations of the characteristics of the data, such  
96.17 as the dates of the data contained in the files, the absence of costs of care for uninsured  
96.18 patients or nonresidents, and other disclaimers that provide appropriate context; and

96.19 ~~(v) not lead to the collection of additional data elements beyond what is authorized under~~  
96.20 ~~this section as of June 30, 2015.~~

96.21 (b) The commissioner may publish the results of the authorized uses identified in  
96.22 paragraph (a) so long as the data released publicly do not contain information or descriptions  
96.23 in which the identity of individual hospitals, clinics, or other providers may be discerned.

96.24 ~~(c) Nothing in this subdivision shall be construed to prohibit the commissioner from~~  
96.25 ~~using the data collected under subdivision 4 to complete the state-based risk adjustment~~  
96.26 ~~system assessment due to the legislature on October 1, 2015.~~

96.27 ~~(d) The commissioner or the commissioner's designee may use the data submitted under~~  
96.28 ~~subdivisions 4 and 5 for the purpose described in paragraph (a), clause (3), until July 1,~~  
96.29 ~~2023.~~

96.30 ~~(e) The commissioner shall consult with the all-payer claims database work group~~  
96.31 ~~established under subdivision 12 regarding the technical considerations necessary to create~~  
96.32 ~~the public use files of summary data described in paragraph (a), clause (5).~~



97.1 Sec. 31. Minnesota Statutes 2022, section 62U.04, is amended by adding a subdivision to  
97.2 read:

97.3 **Subd. 13. Expanded access to and use of the all-payer claims data.** (a) The  
97.4 commissioner may make any data submitted under this section, including data classified as  
97.5 private or nonpublic, available to individuals and organizations engaged in efforts to research  
97.6 or affect transformation in health care outcomes, access, quality, disparities, or spending,  
97.7 provided use of the data serves a public benefit and is not employed to:

97.8 (1) create an unfair market advantage for any participant in the health care market in the  
97.9 state of Minnesota, health plan companies, payers, and providers;

97.10 (2) reidentify or attempt to reidentify an individual in the data; and

97.11 (3) publicly report details derived from the data regarding any contract between a health  
97.12 plan company and a provider.

97.13 (b) To implement the provisions in paragraph (a), the commissioner must:

97.14 (1) establish detailed requirements for data access; a process for data users to apply for  
97.15 access to and use of the data; legally enforceable data use agreements to which data users  
97.16 must consent; a clear and robust oversight process for data access and use, including a data  
97.17 management plan, that ensures compliance with state and federal data privacy laws;  
97.18 agreements for state agencies and the University of Minnesota to ensure proper and efficient  
97.19 use and security of data; and technical assistance for users of the data and stakeholders;

97.20 (2) develop a fee schedule to support the cost of expanded use of the data, provided the  
97.21 fees charged under the schedule do not create a barrier to access for those most affected by  
97.22 disparities; and

97.23 (3) create a research advisory group to advise the commissioner on applications for data  
97.24 use under this subdivision, including an examination of the rigor of the research approach,  
97.25 the technical capabilities of the proposed users, and the ability of the proposed user to  
97.26 successfully safeguard the data.

97.27 Sec. 32. Minnesota Statutes 2022, section 62U.10, subdivision 7, is amended to read:

97.28 **Subd. 7. Outcomes reporting; savings determination.** (a) ~~Beginning November 1,~~  
97.29 ~~2016, and~~ Each November 1 thereafter, the commissioner of health shall determine the  
97.30 actual total private and public health care and long-term care spending for Minnesota  
97.31 residents related to each health indicator projected in subdivision 6 for the most recent  
97.32 calendar year available. The commissioner shall determine the difference between the

98.1 projected and actual spending for each health indicator and for each year, and determine  
98.2 the savings attributable to changes in these health indicators. The assumptions and research  
98.3 methods used to calculate actual spending must be determined to be appropriate by an  
98.4 independent actuarial consultant. If the actual spending is less than the projected spending,  
98.5 the commissioner, in consultation with the commissioners of human services and management  
98.6 and budget, shall use the proportion of spending for state-administered health care programs  
98.7 to total private and public health care spending for each health indicator for the calendar  
98.8 year two years before the current calendar year to determine the percentage of the calculated  
98.9 aggregate savings amount accruing to state-administered health care programs.

98.10 (b) The commissioner may use the data submitted under section 62U.04, subdivisions  
98.11 ~~4 and 5~~, to 5b, to complete the activities required under this section, but may only report  
98.12 publicly on regional data aggregated to granularity of 25,000 lives or greater for this purpose.

98.13 Sec. 33. Minnesota Statutes 2022, section 151.071, subdivision 2, is amended to read:

98.14 Subd. 2. **Grounds for disciplinary action.** (a) The following conduct is prohibited and  
98.15 is grounds for disciplinary action:

98.16 (1) failure to demonstrate the qualifications or satisfy the requirements for a license or  
98.17 registration contained in this chapter or the rules of the board. The burden of proof is on  
98.18 the applicant to demonstrate such qualifications or satisfaction of such requirements;

98.19 (2) obtaining a license by fraud or by misleading the board in any way during the  
98.20 application process or obtaining a license by cheating, or attempting to subvert the licensing  
98.21 examination process. Conduct that subverts or attempts to subvert the licensing examination  
98.22 process includes, but is not limited to: (i) conduct that violates the security of the examination  
98.23 materials, such as removing examination materials from the examination room or having  
98.24 unauthorized possession of any portion of a future, current, or previously administered  
98.25 licensing examination; (ii) conduct that violates the standard of test administration, such as  
98.26 communicating with another examinee during administration of the examination, copying  
98.27 another examinee's answers, permitting another examinee to copy one's answers, or  
98.28 possessing unauthorized materials; or (iii) impersonating an examinee or permitting an  
98.29 impersonator to take the examination on one's own behalf;

98.30 (3) for a pharmacist, pharmacy technician, pharmacist intern, applicant for a pharmacist  
98.31 or pharmacy license, or applicant for a pharmacy technician or pharmacist intern registration,  
98.32 conviction of a felony reasonably related to the practice of pharmacy. Conviction as used  
98.33 in this subdivision includes a conviction of an offense that if committed in this state would  
98.34 be deemed a felony without regard to its designation elsewhere, or a criminal proceeding

99.1 where a finding or verdict of guilt is made or returned but the adjudication of guilt is either  
99.2 withheld or not entered thereon. The board may delay the issuance of a new license or  
99.3 registration if the applicant has been charged with a felony until the matter has been  
99.4 adjudicated;

99.5 (4) for a facility, other than a pharmacy, licensed or registered by the board, if an owner  
99.6 or applicant is convicted of a felony reasonably related to the operation of the facility. The  
99.7 board may delay the issuance of a new license or registration if the owner or applicant has  
99.8 been charged with a felony until the matter has been adjudicated;

99.9 (5) for a controlled substance researcher, conviction of a felony reasonably related to  
99.10 controlled substances or to the practice of the researcher's profession. The board may delay  
99.11 the issuance of a registration if the applicant has been charged with a felony until the matter  
99.12 has been adjudicated;

99.13 (6) disciplinary action taken by another state or by one of this state's health licensing  
99.14 agencies:

99.15 (i) revocation, suspension, restriction, limitation, or other disciplinary action against a  
99.16 license or registration in another state or jurisdiction, failure to report to the board that  
99.17 charges or allegations regarding the person's license or registration have been brought in  
99.18 another state or jurisdiction, or having been refused a license or registration by any other  
99.19 state or jurisdiction. The board may delay the issuance of a new license or registration if an  
99.20 investigation or disciplinary action is pending in another state or jurisdiction until the  
99.21 investigation or action has been dismissed or otherwise resolved; and

99.22 (ii) revocation, suspension, restriction, limitation, or other disciplinary action against a  
99.23 license or registration issued by another of this state's health licensing agencies, failure to  
99.24 report to the board that charges regarding the person's license or registration have been  
99.25 brought by another of this state's health licensing agencies, or having been refused a license  
99.26 or registration by another of this state's health licensing agencies. The board may delay the  
99.27 issuance of a new license or registration if a disciplinary action is pending before another  
99.28 of this state's health licensing agencies until the action has been dismissed or otherwise  
99.29 resolved;

99.30 (7) for a pharmacist, pharmacy, pharmacy technician, or pharmacist intern, violation of  
99.31 any order of the board, of any of the provisions of this chapter or any rules of the board or  
99.32 violation of any federal, state, or local law or rule reasonably pertaining to the practice of  
99.33 pharmacy;

100.1 (8) for a facility, other than a pharmacy, licensed by the board, violations of any order  
100.2 of the board, of any of the provisions of this chapter or the rules of the board or violation  
100.3 of any federal, state, or local law relating to the operation of the facility;

100.4 (9) engaging in any unethical conduct; conduct likely to deceive, defraud, or harm the  
100.5 public, or demonstrating a willful or careless disregard for the health, welfare, or safety of  
100.6 a patient; or pharmacy practice that is professionally incompetent, in that it may create  
100.7 unnecessary danger to any patient's life, health, or safety, in any of which cases, proof of  
100.8 actual injury need not be established;

100.9 (10) aiding or abetting an unlicensed person in the practice of pharmacy, except that it  
100.10 is not a violation of this clause for a pharmacist to supervise a properly registered pharmacy  
100.11 technician or pharmacist intern if that person is performing duties allowed by this chapter  
100.12 or the rules of the board;

100.13 (11) for an individual licensed or registered by the board, adjudication as mentally ill  
100.14 or developmentally disabled, or as a chemically dependent person, a person dangerous to  
100.15 the public, a sexually dangerous person, or a person who has a sexual psychopathic  
100.16 personality, by a court of competent jurisdiction, within or without this state. Such  
100.17 adjudication shall automatically suspend a license for the duration thereof unless the board  
100.18 orders otherwise;

100.19 (12) for a pharmacist or pharmacy intern, engaging in unprofessional conduct as specified  
100.20 in the board's rules. In the case of a pharmacy technician, engaging in conduct specified in  
100.21 board rules that would be unprofessional if it were engaged in by a pharmacist or pharmacist  
100.22 intern or performing duties specifically reserved for pharmacists under this chapter or the  
100.23 rules of the board;

100.24 (13) for a pharmacy, operation of the pharmacy without a pharmacist present and on  
100.25 duty except as allowed by a variance approved by the board;

100.26 (14) for a pharmacist, the inability to practice pharmacy with reasonable skill and safety  
100.27 to patients by reason of illness, use of alcohol, drugs, narcotics, chemicals, or any other type  
100.28 of material or as a result of any mental or physical condition, including deterioration through  
100.29 the aging process or loss of motor skills. In the case of registered pharmacy technicians,  
100.30 pharmacist interns, or controlled substance researchers, the inability to carry out duties  
100.31 allowed under this chapter or the rules of the board with reasonable skill and safety to  
100.32 patients by reason of illness, use of alcohol, drugs, narcotics, chemicals, or any other type  
100.33 of material or as a result of any mental or physical condition, including deterioration through  
100.34 the aging process or loss of motor skills;

101.1 (15) for a pharmacist, pharmacy, pharmacist intern, pharmacy technician, medical gas  
101.2 dispenser, or controlled substance researcher, revealing a privileged communication from  
101.3 or relating to a patient except when otherwise required or permitted by law;

101.4 (16) for a pharmacist or pharmacy, improper management of patient records, including  
101.5 failure to maintain adequate patient records, to comply with a patient's request made pursuant  
101.6 to sections 144.291 to 144.298, or to furnish a patient record or report required by law;

101.7 (17) fee splitting, including without limitation:

101.8 (i) paying, offering to pay, receiving, or agreeing to receive, a commission, rebate,  
101.9 kickback, or other form of remuneration, directly or indirectly, for the referral of patients;

101.10 (ii) referring a patient to any health care provider as defined in sections 144.291 to  
101.11 144.298 in which the licensee or registrant has a financial or economic interest as defined  
101.12 in section 144.6521, subdivision 3, unless the licensee or registrant has disclosed the  
101.13 licensee's or registrant's financial or economic interest in accordance with section 144.6521;  
101.14 and

101.15 (iii) any arrangement through which a pharmacy, in which the prescribing practitioner  
101.16 does not have a significant ownership interest, fills a prescription drug order and the  
101.17 prescribing practitioner is involved in any manner, directly or indirectly, in setting the price  
101.18 for the filled prescription that is charged to the patient, the patient's insurer or pharmacy  
101.19 benefit manager, or other person paying for the prescription or, in the case of veterinary  
101.20 patients, the price for the filled prescription that is charged to the client or other person  
101.21 paying for the prescription, except that a veterinarian and a pharmacy may enter into such  
101.22 an arrangement provided that the client or other person paying for the prescription is notified,  
101.23 in writing and with each prescription dispensed, about the arrangement, unless such  
101.24 arrangement involves pharmacy services provided for livestock, poultry, and agricultural  
101.25 production systems, in which case client notification would not be required;

101.26 (18) engaging in abusive or fraudulent billing practices, including violations of the  
101.27 federal Medicare and Medicaid laws or state medical assistance laws or rules;

101.28 (19) engaging in conduct with a patient that is sexual or may reasonably be interpreted  
101.29 by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning  
101.30 to a patient;

101.31 (20) failure to make reports as required by section 151.072 or to cooperate with an  
101.32 investigation of the board as required by section 151.074;

102.1 (21) knowingly providing false or misleading information that is directly related to the  
102.2 care of a patient unless done for an accepted therapeutic purpose such as the dispensing and  
102.3 administration of a placebo;

102.4 (22) aiding suicide or aiding attempted suicide in violation of section 609.215 as  
102.5 established by any of the following:

102.6 (i) a copy of the record of criminal conviction or plea of guilty for a felony in violation  
102.7 of section 609.215, subdivision 1 or 2;

102.8 (ii) a copy of the record of a judgment of contempt of court for violating an injunction  
102.9 issued under section 609.215, subdivision 4;

102.10 (iii) a copy of the record of a judgment assessing damages under section 609.215,  
102.11 subdivision 5; or

102.12 (iv) a finding by the board that the person violated section 609.215, subdivision 1 or 2.  
102.13 The board must investigate any complaint of a violation of section 609.215, subdivision 1  
102.14 or 2;

102.15 (23) for a pharmacist, practice of pharmacy under a lapsed or nonrenewed license. For  
102.16 a pharmacist intern, pharmacy technician, or controlled substance researcher, performing  
102.17 duties permitted to such individuals by this chapter or the rules of the board under a lapsed  
102.18 or nonrenewed registration. For a facility required to be licensed under this chapter, operation  
102.19 of the facility under a lapsed or nonrenewed license or registration; ~~and~~

102.20 (24) for a pharmacist, pharmacist intern, or pharmacy technician, termination or discharge  
102.21 from the health professionals services program for reasons other than the satisfactory  
102.22 completion of the program; and

102.23 (25) for a drug manufacturer, failure to comply with section 62J.841.

102.24 (b) The provisions in clause (25) shall not be severable from section 62Q.83. If clause  
102.25 (25) or its application to any individual, entity, or circumstance is found to be void for any  
102.26 reason, section 62Q.83 shall be void also.

102.27 Sec. 34. **REPORT ON TRANSPARENCY OF HEALTH CARE PAYMENTS.**

102.28 Subdivision 1. **Definitions.** (a) The terms defined in this subdivision apply to this section.

102.29 (b) "Commissioner" means the commissioner of health.

102.30 (c) "Nonclaims-based payments" means payments to health care providers designed to  
102.31 support and reward value of health care services over volume of health care services and

103.1 includes alternative payment models or incentives, payments for infrastructure expenditures  
103.2 or investments, and payments for workforce expenditures or investments.

103.3 (d) "Nonpublic data" has the meaning given in Minnesota Statutes, section 13.02,  
103.4 subdivision 9.

103.5 (e) "Primary care services" means integrated, accessible health care services provided  
103.6 by clinicians who are accountable for addressing a large majority of personal health care  
103.7 needs, developing a sustained partnership with patients, and practicing in the context of  
103.8 family and community. Primary care services include but are not limited to preventive  
103.9 services, office visits, administration of vaccines, annual physicals, pre-operative physicals,  
103.10 assessments, care coordination, development of treatment plans, management of chronic  
103.11 conditions, and diagnostic tests.

103.12 Subd. 2. **Report.** (a) To provide the legislature with information needed to meet the  
103.13 evolving health care needs of Minnesotans, the commissioner shall report to the legislature  
103.14 by February 15, 2024, on the volume and distribution of health care spending across payment  
103.15 models used by health plan companies and third-party administrators, with a particular focus  
103.16 on value-based care models and primary care spending.

103.17 (b) The report must include specific health plan and third-party administrator estimates  
103.18 of health care spending for claims-based payments and nonclaims-based payments for the  
103.19 most recent available year, reported separately for Minnesotans enrolled in state health care  
103.20 programs, Medicare Advantage, and commercial health insurance. The report must also  
103.21 include recommendations on changes needed to gather better data from health plan companies  
103.22 and third-party administrators on the use of value-based payments that pay for value of  
103.23 health care services provided over volume of services provided, promote the health of all  
103.24 Minnesotans, reduce health disparities, and support the provision of primary care services  
103.25 and preventive services.

103.26 (c) In preparing the report, the commissioner shall:

103.27 (1) describe the form, manner, and timeline for submission of data by health plan  
103.28 companies and third-party administrators to produce estimates as specified in paragraph  
103.29 (b);

103.30 (2) collect summary data that permits the computation of:

103.31 (i) the percentage of total payments that are nonclaims-based payments; and

103.32 (ii) the percentage of payments in item (i) that are for primary care services;

104.1 (3) where data was not directly derived, specify the methods used to estimate data  
104.2 elements;

104.3 (4) notwithstanding Minnesota Statutes, section 62U.04, subdivision 11, conduct analyses  
104.4 of the magnitude of primary care payments using data collected by the commissioner under  
104.5 Minnesota Statutes, section 62U.04; and

104.6 (5) conduct interviews with health plan companies and third-party administrators to  
104.7 better understand the types of nonclaims-based payments and models in use, the purposes  
104.8 or goals of each, the criteria for health care providers to qualify for these payments, and the  
104.9 timing and structure of health plan companies or third-party administrators making these  
104.10 payments to health care provider organizations.

104.11 (d) Health plan companies and third-party administrators must comply with data requests  
104.12 from the commissioner under this section within 60 days after receiving the request.

104.13 (e) Data collected under this section is nonpublic data. Notwithstanding the definition  
104.14 of summary data in Minnesota Statutes, section 13.02, subdivision 19, summary data prepared  
104.15 under this section may be derived from nonpublic data. The commissioner shall establish  
104.16 procedures and safeguards to protect the integrity and confidentiality of any data maintained  
104.17 by the commissioner.

104.18 Sec. 35. **COMMISSIONER OF COMMERCE.**

104.19 The commissioner of commerce shall consult with health plan companies, pharmacies,  
104.20 and pharmacy benefit managers to develop guidance to implement coverage for the pharmacy  
104.21 services required by Minnesota Statutes, sections 62A.15, subdivisions 3d and 4; and  
104.22 62D.1071.

### 104.23 **ARTICLE 3**

### 104.24 **KEEPING NURSES AT THE BEDSIDE**

104.25 Section 1. Minnesota Statutes 2022, section 144.1501, subdivision 1, is amended to read:

104.26 Subdivision 1. **Definitions.** (a) For purposes of this section, the following definitions  
104.27 apply.

104.28 (b) "Advanced dental therapist" means an individual who is licensed as a dental therapist  
104.29 under section 150A.06, and who is certified as an advanced dental therapist under section  
104.30 150A.106.



105.1 (c) "Alcohol and drug counselor" means an individual who is licensed as an alcohol and  
105.2 drug counselor under chapter 148F.

105.3 (d) "Dental therapist" means an individual who is licensed as a dental therapist under  
105.4 section 150A.06.

105.5 (e) "Dentist" means an individual who is licensed to practice dentistry.

105.6 (f) "Designated rural area" means a statutory and home rule charter city or township that  
105.7 is outside the seven-county metropolitan area as defined in section 473.121, subdivision 2,  
105.8 excluding the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud.

105.9 (g) "Emergency circumstances" means those conditions that make it impossible for the  
105.10 participant to fulfill the service commitment, including death, total and permanent disability,  
105.11 or temporary disability lasting more than two years.

105.12 (h) "Hospital nurse" means an individual who is licensed as a registered nurse and who  
105.13 is providing direct patient care in a nonprofit hospital setting.

105.14 (i) "Mental health professional" means an individual providing clinical services in the  
105.15 treatment of mental illness who is qualified in at least one of the ways specified in section  
105.16 245.462, subdivision 18.

105.17 ~~(j)~~ (j) "Medical resident" means an individual participating in a medical residency in  
105.18 family practice, internal medicine, obstetrics and gynecology, pediatrics, or psychiatry.

105.19 ~~(k)~~ (k) "Midlevel practitioner" means a nurse practitioner, nurse-midwife, nurse  
105.20 anesthetist, advanced clinical nurse specialist, or physician assistant.

105.21 ~~(l)~~ (l) "Nurse" means an individual who has completed training and received all licensing  
105.22 or certification necessary to perform duties as a licensed practical nurse or registered nurse.

105.23 ~~(m)~~ (m) "Nurse-midwife" means a registered nurse who has graduated from a program  
105.24 of study designed to prepare registered nurses for advanced practice as nurse-midwives.

105.25 ~~(n)~~ (n) "Nurse practitioner" means a registered nurse who has graduated from a program  
105.26 of study designed to prepare registered nurses for advanced practice as nurse practitioners.

105.27 ~~(o)~~ (o) "Pharmacist" means an individual with a valid license issued under chapter 151.

105.28 ~~(p)~~ (p) "Physician" means an individual who is licensed to practice medicine in the areas  
105.29 of family practice, internal medicine, obstetrics and gynecology, pediatrics, or psychiatry.

105.30 ~~(q)~~ (q) "Physician assistant" means a person licensed under chapter 147A.

106.1 (r) "PSLF program" means the federal Public Service Loan Forgiveness program  
 106.2 established under Code of Federal Regulations, title 34, section 685.219.

106.3 ~~(q)~~ (s) "Public health nurse" means a registered nurse licensed in Minnesota who has  
 106.4 obtained a registration certificate as a public health nurse from the Board of Nursing in  
 106.5 accordance with Minnesota Rules, chapter 6316.

106.6 ~~(t)~~ (t) "Qualified educational loan" means a government, commercial, or foundation loan  
 106.7 for actual costs paid for tuition, reasonable education expenses, and reasonable living  
 106.8 expenses related to the graduate or undergraduate education of a health care professional.

106.9 ~~(s)~~ (u) "Underserved urban community" means a Minnesota urban area or population  
 106.10 included in the list of designated primary medical care health professional shortage areas  
 106.11 (HPSAs), medically underserved areas (MUAs), or medically underserved populations  
 106.12 (MUPs) maintained and updated by the United States Department of Health and Human  
 106.13 Services.

106.14 Sec. 2. Minnesota Statutes 2022, section 144.1501, subdivision 2, is amended to read:

106.15 Subd. 2. **Creation of account.** (a) A health professional education loan forgiveness  
 106.16 program account is established. The commissioner of health shall use money from the  
 106.17 account to establish a loan forgiveness program:

106.18 (1) for medical residents, mental health professionals, and alcohol and drug counselors  
 106.19 agreeing to practice in designated rural areas or underserved urban communities or  
 106.20 specializing in the area of pediatric psychiatry;

106.21 (2) for midlevel practitioners agreeing to practice in designated rural areas or to teach  
 106.22 at least 12 credit hours, or 720 hours per year in the nursing field in a postsecondary program  
 106.23 at the undergraduate level or the equivalent at the graduate level;

106.24 (3) for nurses who agree to practice in a Minnesota nursing home; an intermediate care  
 106.25 facility for persons with developmental disability; a hospital if the hospital owns and operates  
 106.26 a Minnesota nursing home and a minimum of 50 percent of the hours worked by the nurse  
 106.27 is in the nursing home; a housing with services establishment as defined in section 144D.01,  
 106.28 subdivision 4; or for a home care provider as defined in section 144A.43, subdivision 4; or  
 106.29 agree to teach at least 12 credit hours, or 720 hours per year in the nursing field in a  
 106.30 postsecondary program at the undergraduate level or the equivalent at the graduate level;

106.31 (4) for other health care technicians agreeing to teach at least 12 credit hours, or 720  
 106.32 hours per year in their designated field in a postsecondary program at the undergraduate  
 106.33 level or the equivalent at the graduate level. The commissioner, in consultation with the

107.1 Healthcare Education-Industry Partnership, shall determine the health care fields where the  
107.2 need is the greatest, including, but not limited to, respiratory therapy, clinical laboratory  
107.3 technology, radiologic technology, and surgical technology;

107.4 (5) for pharmacists, advanced dental therapists, dental therapists, and public health nurses  
107.5 who agree to practice in designated rural areas; ~~and~~

107.6 (6) for dentists agreeing to deliver at least 25 percent of the dentist's yearly patient  
107.7 encounters to state public program enrollees or patients receiving sliding fee schedule  
107.8 discounts through a formal sliding fee schedule meeting the standards established by the  
107.9 United States Department of Health and Human Services under Code of Federal Regulations,  
107.10 title 42, section 51, chapter 303; and

107.11 (7) for nurses who are enrolled in the PSLF program, employed as a hospital nurse by  
107.12 a nonprofit hospital that is an eligible employer under the PSLF program, and providing  
107.13 direct care to patients at the nonprofit hospital.

107.14 (b) Appropriations made to the account do not cancel and are available until expended,  
107.15 except that at the end of each biennium, any remaining balance in the account that is not  
107.16 committed by contract and not needed to fulfill existing commitments shall cancel to the  
107.17 fund.

107.18 Sec. 3. Minnesota Statutes 2022, section 144.1501, subdivision 3, is amended to read:

107.19 Subd. 3. **Eligibility.** (a) To be eligible to participate in the loan forgiveness program, an  
107.20 individual must:

107.21 (1) be a medical or dental resident; a licensed pharmacist; or be enrolled in a training or  
107.22 education program to become a dentist, dental therapist, advanced dental therapist, mental  
107.23 health professional, alcohol and drug counselor, pharmacist, public health nurse, midlevel  
107.24 practitioner, registered nurse, or a licensed practical nurse. The commissioner may also  
107.25 consider applications submitted by graduates in eligible professions who are licensed and  
107.26 in practice; and

107.27 (2) submit an application to the commissioner of health. Nurses applying under  
107.28 subdivision 2, paragraph (a), clause (7), must also include proof that the applicant is enrolled  
107.29 in the PSLF program and confirmation that the applicant is employed as a hospital nurse.

107.30 (b) An applicant selected to participate must sign a contract to agree to serve a minimum  
107.31 three-year full-time service obligation according to subdivision 2, which shall begin no later  
107.32 than March 31 following completion of required training, with the exception of:

108.1       (1) a nurse, who must agree to serve a minimum two-year full-time service obligation  
108.2 according to subdivision 2, which shall begin no later than March 31 following completion  
108.3 of required training;

108.4       (2) a nurse selected under subdivision 2, paragraph (a), clause (7), must agree to continue  
108.5 as a hospital nurse for the repayment period of the participant's eligible loan under the PSLF  
108.6 program; and

108.7       (3) a nurse who agrees to teach according to subdivision 2, paragraph (a), clause (3),  
108.8 must sign a contract to agree to teach for a minimum of two years.

108.9       Sec. 4. Minnesota Statutes 2022, section 144.1501, subdivision 4, is amended to read:

108.10       Subd. 4. **Loan forgiveness.** (a) The commissioner of health may select applicants each  
108.11 year for participation in the loan forgiveness program, within the limits of available funding.  
108.12 In considering applications, the commissioner shall give preference to applicants who  
108.13 document diverse cultural competencies. The commissioner shall distribute available funds  
108.14 for loan forgiveness proportionally among the eligible professions according to the vacancy  
108.15 rate for each profession in the required geographic area, facility type, teaching area, patient  
108.16 group, or specialty type specified in subdivision 2, except for hospital nurses. The  
108.17 commissioner shall allocate funds for physician loan forgiveness so that 75 percent of the  
108.18 funds available are used for rural physician loan forgiveness and 25 percent of the funds  
108.19 available are used for underserved urban communities and pediatric psychiatry loan  
108.20 forgiveness. If the commissioner does not receive enough qualified applicants each year to  
108.21 use the entire allocation of funds for any eligible profession, the remaining funds may be  
108.22 allocated proportionally among the other eligible professions according to the vacancy rate  
108.23 for each profession in the required geographic area, patient group, or facility type specified  
108.24 in subdivision 2. Applicants are responsible for securing their own qualified educational  
108.25 loans. The commissioner shall select participants based on their suitability for practice  
108.26 serving the required geographic area or facility type specified in subdivision 2, as indicated  
108.27 by experience or training. The commissioner shall give preference to applicants closest to  
108.28 completing their training. Except as specified in paragraphs (b) and (c), for each year that  
108.29 a participant meets the service obligation required under subdivision 3, up to a maximum  
108.30 of four years, the commissioner shall make annual disbursements directly to the participant  
108.31 equivalent to 15 percent of the average educational debt for indebted graduates in their  
108.32 profession in the year closest to the applicant's selection for which information is available,  
108.33 not to exceed the balance of the participant's qualifying educational loans. Before receiving  
108.34 loan repayment disbursements and as requested, the participant must complete and return

109.1 to the commissioner a confirmation of practice form provided by the commissioner verifying  
109.2 that the participant is practicing as required under subdivisions 2 and 3. The participant  
109.3 must provide the commissioner with verification that the full amount of loan repayment  
109.4 disbursement received by the participant has been applied toward the designated loans.  
109.5 After each disbursement, verification must be received by the commissioner and approved  
109.6 before the next loan repayment disbursement is made. Participants who move their practice  
109.7 remain eligible for loan repayment as long as they practice as required under subdivision  
109.8 2.

109.9 (b) For hospital nurses, the commissioner of health shall select applicants each year for  
109.10 participation in the hospital nursing education loan forgiveness program, within limits of  
109.11 available funding for hospital nurses. Applicants are responsible for applying for and  
109.12 maintaining eligibility for the PSLF program. For each year that a participant meets the  
109.13 eligibility requirements described in subdivision 3, the commissioner shall make an annual  
109.14 disbursement directly to the participant in an amount equal to the minimum loan payments  
109.15 required to be paid by the participant under the participant's repayment plan established for  
109.16 the participant under the PSLF program for the previous loan year. Before receiving the  
109.17 annual loan repayment disbursement, the participant must complete and return to the  
109.18 commissioner a confirmation of practice form provided by the commissioner, verifying that  
109.19 the participant continues to meet the eligibility requirements under subdivision 3. The  
109.20 participant must provide the commissioner with verification that the full amount of loan  
109.21 repayment disbursement received by the participant has been applied toward the loan for  
109.22 which forgiveness is sought under the PSLF program.

109.23 (c) For each year that a participant who is a nurse and who has agreed to teach according  
109.24 to subdivision 2 meets the teaching obligation required in subdivision 3, the commissioner  
109.25 shall make annual disbursements directly to the participant equivalent to 15 percent of the  
109.26 average annual educational debt for indebted graduates in the nursing profession in the year  
109.27 closest to the participant's selection for which information is available, not to exceed the  
109.28 balance of the participant's qualifying educational loans.

109.29 Sec. 5. Minnesota Statutes 2022, section 144.1501, subdivision 5, is amended to read:

109.30 Subd. 5. **Penalty for nonfulfillment.** If a participant does not fulfill the required  
109.31 minimum commitment of service according to subdivision 3; or, for hospital nurses, the  
109.32 secretary of education determines that the participant does not meet eligibility requirements  
109.33 for the PSLF, the commissioner of health shall collect from the participant the total amount  
109.34 paid to the participant under the loan forgiveness program plus interest at a rate established

110.1 according to section 270C.40. The commissioner shall deposit the money collected in the  
110.2 health care access fund to be credited to the health professional education loan forgiveness  
110.3 program account established in subdivision 2. The commissioner shall allow waivers of all  
110.4 or part of the money owed the commissioner as a result of a nonfulfillment penalty if  
110.5 emergency circumstances prevented fulfillment of the minimum service commitment or,  
110.6 for hospital nurses, if the PSLF program is discontinued before the participant's service  
110.7 commitment is fulfilled.

110.8 Sec. 6. Minnesota Statutes 2022, section 144.566, is amended to read:

110.9 **144.566 VIOLENCE AGAINST HEALTH CARE WORKERS.**

110.10 Subdivision 1. **Definitions.** (a) The following definitions apply to this section and have  
110.11 the meanings given.

110.12 (b) "Act of violence" means an act by a patient or visitor against a health care worker  
110.13 that includes kicking, scratching, urinating, sexually harassing, or any act defined in sections  
110.14 609.221 to 609.2241.

110.15 (c) "Commissioner" means the commissioner of health.

110.16 (d) "Health care worker" means any person, whether licensed or unlicensed, employed  
110.17 by, volunteering in, or under contract with a hospital, who has direct contact with a patient  
110.18 of the hospital for purposes of either medical care or emergency response to situations  
110.19 potentially involving violence.

110.20 (e) "Hospital" means any facility licensed as a hospital under section 144.55.

110.21 (f) "Incident response" means the actions taken by hospital administration and health  
110.22 care workers during and following an act of violence.

110.23 (g) "Interfere" means to prevent, impede, discourage, or delay a health care worker's  
110.24 ability to report acts of violence, including by retaliating or threatening to retaliate against  
110.25 a health care worker.

110.26 (h) "Preparedness" means the actions taken by hospital administration and health care  
110.27 workers to prevent a single act of violence or acts of violence generally.

110.28 (i) "Retaliate" means to discharge, discipline, threaten, otherwise discriminate against,  
110.29 or penalize a health care worker regarding the health care worker's compensation, terms,  
110.30 conditions, location, or privileges of employment.

110.31 (j) "Workplace violence hazards" means locations and situations where violent incidents  
110.32 are more likely to occur, including, as applicable, but not limited to locations isolated from

111.1 other health care workers; health care workers working alone; health care workers working  
111.2 in remote locations; health care workers working late night or early morning hours; locations  
111.3 where an assailant could prevent entry of responders or other health care workers into a  
111.4 work area; locations with poor illumination; locations with poor visibility; lack of effective  
111.5 escape routes; obstacles and impediments to accessing alarm systems; locations within the  
111.6 facility where alarm systems are not operational; entryways where unauthorized entrance  
111.7 may occur, such as doors designated for staff entrance or emergency exits; presence, in the  
111.8 areas where patient contact activities are performed, of furnishings or objects that could be  
111.9 used as weapons; and locations where high-value items, currency, or pharmaceuticals are  
111.10 stored.

111.11 Subd. 2. ~~Hospital duties~~ **Action plans and action plan reviews required.** (a) All  
111.12 hospitals must design and implement preparedness and incident response action plans to  
111.13 acts of violence by January 15, 2016, and review and update the plan at least annually  
111.14 thereafter. The plan must be in writing; specific to the workplace violence hazards and  
111.15 corrective measures for the units, services, or operations of the hospital; and available to  
111.16 health care workers at all times.

111.17 Subd. 3. **Action plan committees.** (b) A hospital shall designate a committee of  
111.18 representatives of health care workers employed by the hospital, including nonmanagerial  
111.19 health care workers, nonclinical staff, administrators, patient safety experts, and other  
111.20 appropriate personnel to develop preparedness and incident response action plans to acts  
111.21 of violence. The hospital shall, in consultation with the designated committee, implement  
111.22 the plans under ~~paragraph (a)~~ subdivision 2. Nothing in this ~~paragraph~~ subdivision shall  
111.23 require the establishment of a separate committee solely for the purpose required by this  
111.24 subdivision.

111.25 Subd. 4. **Required elements of action plans; generally.** The preparedness and incident  
111.26 response action plans to acts of violence must include:

111.27 (1) effective procedures to obtain the active involvement of health care workers and  
111.28 their representatives in developing, implementing, and reviewing the plan, including their  
111.29 participation in identifying, evaluating, and correcting workplace violence hazards, designing  
111.30 and implementing training, and reporting and investigating incidents of workplace violence;

111.31 (2) names or job titles of the persons responsible for implementing the plan; and

111.32 (3) effective procedures to ensure that supervisory and nonsupervisory health care  
111.33 workers comply with the plan.

112.1 **Subd. 5. Required elements of action plans; evaluation of risk factors.** (a) The  
112.2 preparedness and incident response action plans to acts of violence must include assessment  
112.3 procedures to identify and evaluate workplace violence hazards for each facility, unit,  
112.4 service, or operation, including community-based risk factors and areas surrounding the  
112.5 facility, such as employee parking areas and other outdoor areas. Procedures shall specify  
112.6 the frequency that environmental assessments take place.

112.7 (b) The preparedness and incident response action plans to acts of violence must include  
112.8 assessment tools, environmental checklists, or other effective means to identify workplace  
112.9 violence hazards.

112.10 **Subd. 6. Required elements of action plans; review of workplace violence**  
112.11 **incidents.** The preparedness and incident response action plans to acts of violence must  
112.12 include procedures for reviewing all workplace violence incidents that occurred in the  
112.13 facility, unit, service, or operation within the previous year, whether or not an injury occurred.

112.14 **Subd. 7. Required elements of action plans; reporting workplace violence.** The  
112.15 preparedness and incident response action plans to acts of violence must include:

112.16 (1) effective procedures for health care workers to document information regarding  
112.17 conditions that may increase the potential for workplace violence incidents and communicate  
112.18 that information without fear of reprisal to other health care workers, shifts, or units;

112.19 (2) effective procedures for health care workers to report a violent incident, threat, or  
112.20 other workplace violence concern without fear of reprisal;

112.21 (3) effective procedures for the hospital to accept and respond to reports of workplace  
112.22 violence and to prohibit retaliation against a health care worker who makes such a report;

112.23 (4) a policy statement stating the hospital will not prevent a health care worker from  
112.24 reporting workplace violence or take punitive or retaliatory action against a health care  
112.25 worker for doing so;

112.26 (5) effective procedures for investigating health care worker concerns regarding workplace  
112.27 violence or workplace violence hazards;

112.28 (6) procedures for informing health care workers of the results of the investigation arising  
112.29 from a report of workplace violence or from a concern about a workplace violence hazard  
112.30 and of any corrective actions taken;

112.31 (7) effective procedures for obtaining assistance from the appropriate law enforcement  
112.32 agency or social service agency during all work shifts. The procedure may establish a central  
112.33 coordination procedure; and



113.1 (8) a policy statement stating the hospital will not prevent a health care worker from  
113.2 seeking assistance and intervention from local emergency services or law enforcement when  
113.3 a violent incident occurs or take punitive or retaliatory action against a health care worker  
113.4 for doing so.

113.5 **Subd. 8. Required elements of action plans; coordination with other employers.** The  
113.6 preparedness and incident response action plans to acts of violence must include methods  
113.7 the hospital will use to coordinate implementation of the plan with other employers whose  
113.8 employees work in the same health care facility, unit, service, or operation and to ensure  
113.9 that those employers and their employees understand their respective roles as provided in  
113.10 the plan. These methods must ensure that all employees working in the facility, unit, service,  
113.11 or operation are provided the training required by subdivision 11 and that workplace violence  
113.12 incidents involving any employee are reported, investigated, and recorded.

113.13 **Subd. 9. Required elements of action plans; white supremacist affiliation and support**  
113.14 **prohibited.** (a) The preparedness and incident response action plans to acts of violence  
113.15 must include a policy statement stating that security personnel employed by the hospital or  
113.16 assigned to the hospital by a contractor are prohibited from affiliating with, supporting, or  
113.17 advocating for white supremacist groups, causes, or ideologies or participating in, or actively  
113.18 promoting, an international or domestic extremist group that the Federal Bureau of  
113.19 Investigation has determined supports or encourages illegal, violent conduct.

113.20 (b) For purposes of this subdivision, white supremacist groups, causes, or ideologies  
113.21 include organizations and associations and ideologies that promote white supremacy and  
113.22 the idea that white people are superior to Black, Indigenous, and people of color (BIPOC);  
113.23 promote religious and racial bigotry; seek to exacerbate racial and ethnic tensions between  
113.24 BIPOC and non-BIPOC; or engage in patently hateful and inflammatory speech, intimidation,  
113.25 and violence against BIPOC as means of promoting white supremacy.

113.26 **Subd. 10. Required elements of action plans; training.** (a) The preparedness and  
113.27 incident response action plans to acts of violence must include:

113.28 (1) procedures for developing and providing the training required in subdivision 11 that  
113.29 permits health care workers and their representatives to participate in developing the training;  
113.30 and

113.31 (2) a requirement for cultural competency training and equity, diversity, and inclusion  
113.32 training.

114.1 (b) The preparedness and incident response action plans to acts of violence must include  
114.2 procedures to communicate with health care workers regarding workplace violence matters,  
114.3 including:

114.4 (1) how health care workers will document and communicate to other health care workers  
114.5 and between shifts and units information regarding conditions that may increase the potential  
114.6 for workplace violence incidents;

114.7 (2) how health care workers can report a violent incident, threat, or other workplace  
114.8 violence concern;

114.9 (3) how health care workers can communicate workplace violence concerns without  
114.10 fear of reprisal; and

114.11 (4) how health care worker concerns will be investigated, and how health care workers  
114.12 will be informed of the results of the investigation and any corrective actions to be taken.

114.13 **Subd. 11. Training required.** ~~(e)~~ A hospital ~~shall~~ must provide training to all health  
114.14 care workers employed or contracted with the hospital on safety during acts of violence.  
114.15 Each health care worker must receive safety training ~~annually and upon hire~~ during the  
114.16 health care worker's orientation and before the health care worker completes a shift  
114.17 independently, and annually thereafter. Training must, at a minimum, include:

114.18 (1) safety guidelines for response to and de-escalation of an act of violence;

114.19 (2) ways to identify potentially violent or abusive situations, including aggression and  
114.20 violence predicting factors; and

114.21 (3) the hospital's ~~incident response reaction plan and violence prevention plan~~  
114.22 preparedness and incident response action plans for acts of violence, including how the  
114.23 health care worker may report concerns about workplace violence within each hospital's  
114.24 reporting structure without fear of reprisal, how the hospital will address workplace violence  
114.25 incidents, and how the health care worker can participate in reviewing and revising the plan;  
114.26 and

114.27 (4) any resources available to health care workers for coping with incidents of violence,  
114.28 including but not limited to critical incident stress debriefing or employee assistance  
114.29 programs.

114.30 **Subd. 12. Annual review and update of action plans.** ~~(d)~~ (a) As part of its annual  
114.31 review of preparedness and incident response action plans required under ~~paragraph (a)~~  
114.32 subdivision 2, the hospital must review with the designated committee:

115.1 (1) the effectiveness of its preparedness and incident response action plans, including  
115.2 the sufficiency of security systems, alarms, emergency responses, and security personnel  
115.3 availability;

115.4 (2) security risks associated with specific units, areas of the facility with uncontrolled  
115.5 access, late night shifts, early morning shifts, and areas surrounding the facility such as  
115.6 employee parking areas and other outdoor areas;

115.7 (3) the most recent gap analysis as provided by the commissioner; and

115.8 ~~(3)~~ (4) the number of acts of violence that occurred in the hospital during the previous  
115.9 year, including injuries sustained, if any, and the unit in which the incident occurred;

115.10 (5) evaluations of staffing, including staffing patterns and patient classification systems  
115.11 that contribute to, or are insufficient to address, the risk of violence; and

115.12 (6) any reports of discrimination or abuse that arise from security resources, including  
115.13 from the behavior of security personnel.

115.14 (b) As part of the annual update of preparedness and incident response action plans  
115.15 required under subdivision 2, the hospital must incorporate corrective actions into the action  
115.16 plan to address workplace violence hazards identified during the annual action plan review,  
115.17 reports of workplace violence, reports of workplace violence hazards, and reports of  
115.18 discrimination or abuse that arise from the security resources.

115.19 **Subd. 13. Action plan updates.** Following the annual review of the action plan, a hospital  
115.20 must update the action plans to reflect the corrective actions the hospital will implement to  
115.21 mitigate the hazards and vulnerabilities identified during the annual review.

115.22 **Subd. 14. Requests for additional staffing.** A hospital shall create and implement a  
115.23 procedure for a health care worker to officially request of hospital supervisors or  
115.24 administration that additional staffing be provided. The hospital must document all requests  
115.25 for additional staffing made because of a health care worker's concern over a risk of an act  
115.26 of violence. If the request for additional staffing to reduce the risk of violence is denied,  
115.27 the hospital must provide the health care worker who made the request a written reason for  
115.28 the denial and must maintain documentation of that communication with the documentation  
115.29 of requests for additional staffing. A hospital must make documentation regarding staffing  
115.30 requests available to the commissioner for inspection at the commissioner's request. The  
115.31 commissioner may use documentation regarding staffing requests to inform the  
115.32 commissioner's determination on whether the hospital is providing adequate staffing and

116.1 security to address acts of violence, and may use documentation regarding staffing requests  
116.2 if the commissioner imposes a penalty under subdivision 18.

116.3 Subd. 15. **Disclosure of action plans.** (e) (a) A hospital ~~shall~~ must make its most recent  
116.4 action plans and ~~the information listed in paragraph (d)~~ most recent action plan reviews  
116.5 available to local law enforcement, all direct care staff and, if any of its workers are  
116.6 represented by a collective bargaining unit, to the exclusive bargaining representatives of  
116.7 those collective bargaining units.

116.8 (b) Beginning January 1, 2025, a hospital must annually submit to the commissioner its  
116.9 most recent action plan and the results of the most recent annual review conducted under  
116.10 subdivision 12.

116.11 Subd. 16. **Legislative report required.** (a) Beginning January 15, 2026, the commissioner  
116.12 must compile the information into a single annual report and submit the report to the chairs  
116.13 and ranking minority members of the legislative committees with jurisdiction over health  
116.14 care by January 15 of each year.

116.15 (b) This subdivision does not expire.

116.16 Subd. 17. **Interference prohibited.** (f) A hospital, including any individual, partner,  
116.17 association, or any person or group of persons acting directly or indirectly in the interest of  
116.18 the hospital, ~~shall~~ must not interfere with or discourage a health care worker if the health  
116.19 care worker wishes to contact law enforcement or the commissioner regarding an act of  
116.20 violence.

116.21 Subd. 18. **Penalties.** (g) Notwithstanding section 144.653, subdivision 6, the  
116.22 commissioner may impose ~~an administrative~~ a fine of up to ~~\$250~~ \$10,000 for failure to  
116.23 comply with the requirements of this ~~subdivision~~ section. The commissioner must allow  
116.24 the hospital at least 30 calendar days to correct a violation of this section before assessing  
116.25 a fine.

116.26 Sec. 7. Minnesota Statutes 2022, section 144.608, subdivision 1, is amended to read:

116.27 Subdivision 1. **Trauma Advisory Council established.** (a) A Trauma Advisory Council  
116.28 is established to advise, consult with, and make recommendations to the commissioner on  
116.29 the development, maintenance, and improvement of a statewide trauma system.

116.30 (b) The council shall consist of the following members:

116.31 (1) a trauma surgeon certified by the American Board of Surgery or the American  
116.32 Osteopathic Board of Surgery who practices in a level I or II trauma hospital;

- 117.1 (2) a general surgeon certified by the American Board of Surgery or the American  
117.2 Osteopathic Board of Surgery whose practice includes trauma and who practices in a  
117.3 designated rural area as defined under section 144.1501, subdivision 1, ~~paragraph (e)~~;
- 117.4 (3) a neurosurgeon certified by the American Board of Neurological Surgery who  
117.5 practices in a level I or II trauma hospital;
- 117.6 (4) a trauma program nurse manager or coordinator practicing in a level I or II trauma  
117.7 hospital;
- 117.8 (5) an emergency physician certified by the American Board of Emergency Medicine  
117.9 or the American Osteopathic Board of Emergency Medicine whose practice includes  
117.10 emergency room care in a level I, II, III, or IV trauma hospital;
- 117.11 (6) a trauma program manager or coordinator who practices in a level III or IV trauma  
117.12 hospital;
- 117.13 (7) a physician certified by the American Board of Family Medicine or the American  
117.14 Osteopathic Board of Family Practice whose practice includes emergency department care  
117.15 in a level III or IV trauma hospital located in a designated rural area as defined under section  
117.16 144.1501, subdivision 1, ~~paragraph (e)~~;
- 117.17 (8) a nurse practitioner, as defined under section 144.1501, subdivision 1, ~~paragraph (f)~~,  
117.18 or a physician assistant, as defined under section 144.1501, subdivision 1, ~~paragraph (e)~~,  
117.19 whose practice includes emergency room care in a level IV trauma hospital located in a  
117.20 designated rural area as defined under section 144.1501, subdivision 1, ~~paragraph (e)~~;
- 117.21 (9) a physician certified in pediatric emergency medicine by the American Board of  
117.22 Pediatrics or certified in pediatric emergency medicine by the American Board of Emergency  
117.23 Medicine or certified by the American Osteopathic Board of Pediatrics whose practice  
117.24 primarily includes emergency department medical care in a level I, II, III, or IV trauma  
117.25 hospital, or a surgeon certified in pediatric surgery by the American Board of Surgery whose  
117.26 practice involves the care of pediatric trauma patients in a trauma hospital;
- 117.27 (10) an orthopedic surgeon certified by the American Board of Orthopaedic Surgery or  
117.28 the American Osteopathic Board of Orthopedic Surgery whose practice includes trauma  
117.29 and who practices in a level I, II, or III trauma hospital;
- 117.30 (11) the state emergency medical services medical director appointed by the Emergency  
117.31 Medical Services Regulatory Board;
- 117.32 (12) a hospital administrator of a level III or IV trauma hospital located in a designated  
117.33 rural area as defined under section 144.1501, subdivision 1, ~~paragraph (e)~~;

118.1 (13) a rehabilitation specialist whose practice includes rehabilitation of patients with  
118.2 major trauma injuries or traumatic brain injuries and spinal cord injuries as defined under  
118.3 section 144.661;

118.4 (14) an attendant or ambulance director who is an EMT, EMT-I, or EMT-P within the  
118.5 meaning of section 144E.001 and who actively practices with a licensed ambulance service  
118.6 in a primary service area located in a designated rural area as defined under section 144.1501,  
118.7 subdivision 1, ~~paragraph (e)~~; and

118.8 (15) the commissioner of public safety or the commissioner's designee.

118.9 Sec. 8. Minnesota Statutes 2022, section 144.653, subdivision 5, is amended to read:

118.10 Subd. 5. **Correction orders.** Whenever a duly authorized representative of the state  
118.11 commissioner of health finds upon inspection of a facility required to be licensed under the  
118.12 provisions of sections 144.50 to 144.58 that the licensee of such facility is not in compliance  
118.13 with sections 144.411 to 144.417, 144.50 to 144.58, 144.651, 144.7051 to 144.7058, or  
118.14 626.557, or the applicable rules promulgated under those sections, a correction order shall  
118.15 be issued to the licensee. The correction order shall state the deficiency, cite the specific  
118.16 rule violated, and specify the time allowed for correction.

118.17 Sec. 9. **[144.7051] DEFINITIONS.**

118.18 Subdivision 1. **Applicability.** For the purposes of sections 144.7051 to 144.7058, the  
118.19 terms defined in this section have the meanings given.

118.20 Subd. 2. **Concern for safe staffing form.** "Concern for safe staffing form" means a  
118.21 standard uniform form developed by the commissioner that may be used by any individual  
118.22 to report unsafe staffing situations while maintaining the privacy of patients.

118.23 Subd. 3. **Commissioner.** "Commissioner" means the commissioner of health.

118.24 Subd. 4. **Daily staffing schedule.** "Daily staffing schedule" means the actual number  
118.25 of full-time equivalent nonmanagerial care staff assigned to an inpatient care unit and  
118.26 providing care in that unit during a 24-hour period and the actual number of patients assigned  
118.27 to each direct care registered nurse present and providing care in the unit.

118.28 Subd. 5. **Direct-care registered nurse.** "Direct-care registered nurse" means a registered  
118.29 nurse, as defined in section 148.171, subdivision 20, who is nonsupervisory and  
118.30 nonmanagerial and who directly provides nursing care to patients more than 60 percent of  
118.31 the time.

119.1 Subd. 6. **Emergency.** "Emergency" means a period when replacement staff are not able  
119.2 to report for duty for the next shift or a period of increased patient need because of unusual,  
119.3 unpredictable, or unforeseen circumstances, including but not limited to an act of terrorism,  
119.4 a disease outbreak, adverse weather conditions, or a natural disaster that impacts continuity  
119.5 of patient care.

119.6 Subd. 7. **Hospital.** "Hospital" means any setting that is licensed under this chapter as a  
119.7 hospital.

119.8 **EFFECTIVE DATE.** This section is effective July 1, 2025.

119.9 Sec. 10. **[144.7053] HOSPITAL NURSE STAFFING COMMITTEE.**

119.10 Subdivision 1. **Hospital nurse staffing committee required.** (a) Each hospital must  
119.11 establish and maintain a functioning hospital nurse staffing committee. A hospital may  
119.12 assign the functions and duties of a hospital nurse staffing committee to an existing committee  
119.13 provided the existing committee meets the membership requirements applicable to a hospital  
119.14 nurse staffing committee.

119.15 (b) The commissioner is not required to verify compliance with this section by an on-site  
119.16 visit.

119.17 Subd. 2. **Staffing committee membership.** (a) At least 35 percent of the hospital nurse  
119.18 staffing committee's membership must be direct care registered nurses typically assigned  
119.19 to a specific unit for an entire shift and at least 15 percent of the committee's membership  
119.20 must be other direct care workers typically assigned to a specific unit for an entire shift. A  
119.21 hospital's nurse staffing committee's membership must consist of at least one nurse from  
119.22 each unit covered by the hospital's core staffing plan. Direct care registered nurses and other  
119.23 direct care workers who are members of a collective bargaining unit shall be appointed or  
119.24 elected to the committee according to the guidelines of the applicable collective bargaining  
119.25 agreement. If there is no collective bargaining agreement, direct care registered nurses shall  
119.26 be elected to the committee by direct care registered nurses employed by the hospital and  
119.27 other direct care workers shall be elected to the committee by other direct care workers  
119.28 employed by the hospital.

119.29 (b) The hospital shall appoint 50 percent of the hospital nurse staffing committee's  
119.30 membership.

119.31 Subd. 3. **Staffing committee compensation.** A hospital must treat participation in the  
119.32 hospital nurse staffing committee meetings by any hospital employee as scheduled work  
119.33 time and compensate each committee member at the employee's existing rate of pay. A

120.1 hospital must relieve all direct care registered nurse members of the hospital nurse staffing  
120.2 committee of other work duties during the times when the committee meets.

120.3 Subd. 4. **Staffing committee meeting frequency.** Each hospital nurse staffing committee  
120.4 must meet at least quarterly.

120.5 Subd. 5. **Staffing committee duties.** (a) Each hospital nurse staffing committee shall  
120.6 create, implement, continuously evaluate, and update as needed evidence-based written  
120.7 core staffing plans to guide the creation of daily staffing schedules for each inpatient care  
120.8 unit of the hospital. Each hospital nurse staffing committee must adopt a core staffing plan  
120.9 annually by a majority vote of all members.

120.10 (b) Each hospital nurse staffing committee must:

120.11 (1) establish a secure, uniform, and easily accessible method for any hospital employee,  
120.12 patient, or patient family member to submit directly to the committee a concern for safe  
120.13 staffing form;

120.14 (2) review each concern for safe staffing form;

120.15 (3) forward a copy of all concern for safe staffing forms to the relevant hospital nurse  
120.16 workload committee;

120.17 (4) review the documentation of compliance maintained by the hospital under section  
120.18 144.7056, subdivision 10;

120.19 (5) conduct a trend analysis of the data related to all reported concerns regarding safe  
120.20 staffing;

120.21 (6) develop a mechanism for tracking and analyzing staffing trends within the hospital;

120.22 (7) submit a nurse staffing report to the commissioner;

120.23 (8) assist the commissioner in compiling data for the Nursing Workforce Report by  
120.24 encouraging participation in the commissioner's independent study on reasons licensed  
120.25 registered nurses are leaving the profession; and

120.26 (9) record in the committee minutes for each meeting a summary of the discussions and  
120.27 recommendations of the committee. Each committee must maintain the minutes, records,  
120.28 and distributed materials for five years.

120.29 **EFFECTIVE DATE.** This section is effective July 1, 2025.



121.1 **Sec. 11. [144.7054] HOSPITAL NURSE WORKLOAD COMMITTEE.**

121.2 **Subdivision 1. Hospital nurse workload committee required.** (a) Each hospital must  
121.3 establish and maintain functioning hospital nurse workload committees for each unit. A  
121.4 hospital designated as a critical access hospital under section 144.1483, clause (9), may  
121.5 assign the functions and duties of its nurse workload committees to the hospital's nurse  
121.6 staffing committee.

121.7 (b) The commissioner is not required to verify compliance with this section by an on-site  
121.8 visit.

121.9 **Subd. 2. Workload committee membership.** (a) At least 35 percent of each workload  
121.10 committee's membership must be direct care registered nurses typically assigned to the unit  
121.11 for an entire shift and at least 15 percent of the committee's membership must be other direct  
121.12 care workers typically assigned to the unit for an entire shift. Direct care registered nurses  
121.13 and other direct care workers who are members of a collective bargaining unit shall be  
121.14 appointed or elected to the committee according to the guidelines of the applicable collective  
121.15 bargaining agreement. If there is no collective bargaining agreement, direct care registered  
121.16 nurses shall be elected to the committee by direct care registered nurses typically assigned  
121.17 to the unit for an entire shift and other direct care workers shall be elected to the committee  
121.18 by other direct care workers typically assigned to the unit for an entire shift.

121.19 (b) The hospital shall appoint 50 percent of each unit's nurse workload committee's  
121.20 membership.

121.21 (c) Notwithstanding paragraphs (a) and (b), if a hospital has established a staffing  
121.22 committee through collective bargaining, the composition of that committee prevails.

121.23 **Subd. 3. Workload committee compensation.** A hospital must treat participation in a  
121.24 hospital nurse workload committee meeting by any hospital employee as scheduled work  
121.25 time and compensate each committee member at the employee's existing rate of pay. A  
121.26 hospital must relieve all direct care registered nurse members of a hospital nurse workload  
121.27 committee of other work duties during the times when the committee meets.

121.28 **Subd. 4. Workload committee meeting frequency.** Each hospital nurse workload  
121.29 committee must meet at least monthly whenever the committee is in receipt of an unresolved  
121.30 concern for safe staffing form.

121.31 **Subd. 5. Workload committee duties.** (a) Each hospital nurse workload committee  
121.32 must create, implement, and maintain dispute resolution procedures to guide the committee's  
121.33 development and implementation of solutions to the staffing concerns raised in concern for

122.1 safe staffing forms that have been forwarded to the committee. The dispute resolution  
122.2 procedures must include a two-step process. If the nurse workforce committee is not able  
122.3 to implement a solution to the concerns raised in a concern for safe staffing form, the  
122.4 workload committee must refer the matter to the hospital nurse staffing committee within  
122.5 15 calendar days of the events described in the concern for safe staffing form. If after both  
122.6 the nurses and hospitals have attempted in good faith to resolve the concern either side may  
122.7 move forward to an expedited arbitration process with an arbitrator who has expertise in  
122.8 patient care that must be completed within 30 calendar days of the dispute being escalated  
122.9 to the hospital nurse staffing committee.

122.10 (b) In the event both parties believe that they have reached an impasse prior to the 15-  
122.11 or 30-day deadline, the parties may move to the next appropriate step. The committee must  
122.12 use the expedited arbitration process for any complaint that remains unresolved 45 days  
122.13 after the submission of the concern for safe staffing form that gave rise to the complaint.

122.14 (c) Each hospital nurse workload committee must attempt to expeditiously resolve  
122.15 staffing issues the committee determines arise from a violation of the hospital's core staffing  
122.16 plan.

122.17 (d) If the majority of the members of the workload committee agree that the concerns  
122.18 raised can be reasonably grouped together or considered together because multiple forms  
122.19 were submitted from one patient care unit on one date or shift, then the committee can  
122.20 decide to submit them as one occurrence.

122.21 **EFFECTIVE DATE.** This section is effective July 1, 2025.

122.22 Sec. 12. Minnesota Statutes 2022, section 144.7055, is amended to read:

122.23 **144.7055 HOSPITAL CORE STAFFING PLAN REPORTS.**

122.24 Subdivision 1. **Definitions.** (a) For the purposes of ~~this section~~ sections 144.7051 to  
122.25 144.7058, the following terms have the meanings given.

122.26 (b) "Core staffing plan" means ~~the projected number of full-time equivalent~~  
122.27 ~~nonmanagerial care staff that will be assigned in a 24-hour period to an inpatient care unit~~  
122.28 a plan described in subdivision 2.

122.29 (c) "Nonmanagerial care staff" means registered nurses, licensed practical nurses, and  
122.30 other health care workers, which may include but is not limited to nursing assistants, nursing  
122.31 aides, patient care technicians, and patient care assistants, who perform nonmanagerial  
122.32 direct patient care functions for more than 50 percent of their scheduled hours on a given  
122.33 patient care unit.

123.1 (d) "Inpatient care unit" or "unit" means a designated inpatient area for assigning patients  
 123.2 and staff for which a ~~distinct staffing plan~~ daily staffing schedule exists and that operates  
 123.3 24 hours per day, seven days per week in a hospital setting. Inpatient care unit does not  
 123.4 include any hospital-based clinic, long-term care facility, or outpatient hospital department.

123.5 (e) "Staffing hours per patient day" means the number of full-time equivalent  
 123.6 nonmanagerial care staff who will ordinarily be assigned to provide direct patient care  
 123.7 divided by the expected average number of patients upon which such assignments are based.

123.8 ~~(f) "Patient acuity tool" means a system for measuring an individual patient's need for~~  
 123.9 ~~nursing care. This includes utilizing a professional registered nursing assessment of patient~~  
 123.10 ~~condition to assess staffing need.~~

123.11 Subd. 2. **Hospital core staffing report plans.** (a) The ~~chief nursing executive or nursing~~  
 123.12 ~~designee~~ hospital nurse staffing committee of every ~~reporting~~ hospital in Minnesota under  
 123.13 ~~section 144.50 will~~ must develop a core staffing plan for each ~~patient~~ inpatient care unit.

123.14 (b) The commissioner is not required to verify compliance with this section by an on-site  
 123.15 visit.

123.16 ~~(b)~~ (c) Core staffing plans shall must specify all of the following:

123.17 (1) the projected number of full-time equivalent for nonmanagerial care staff that will  
 123.18 be assigned in a 24-hour period to each patient inpatient care unit for each 24-hour period.;

123.19 (2) the maximum number of patients on each inpatient care unit for whom a direct care  
 123.20 nurse can typically safely care;

123.21 (3) criteria for determining when circumstances exist on each inpatient care unit such  
 123.22 that a direct care nurse cannot safely care for the typical number of patients and when  
 123.23 assigning a lower number of patients to each nurse on the inpatient unit would be appropriate;

123.24 (4) a procedure for each inpatient care unit to make shift-to-shift adjustments in staffing  
 123.25 levels when such adjustments are required by patient acuity and nursing intensity in the  
 123.26 unit;

123.27 (5) a contingency plan for each inpatient unit to safely address circumstances in which  
 123.28 patient care needs unexpectedly exceed the staffing resources provided for in a daily staffing  
 123.29 schedule. A contingency plan must include a method to quickly identify, for each daily  
 123.30 staffing schedule, additional direct care registered nurses who are available to provide direct  
 123.31 care on the inpatient care unit;

124.1 (6) strategies to enable direct care registered nurses to take breaks they are entitled to  
124.2 under law or under an applicable collective bargaining agreement; and

124.3 (7) strategies to eliminate patient boarding in emergency departments that do not rely  
124.4 on requiring direct care registered nurses to work additional hours to provide care.

124.5 ~~(e)~~ (d) Core staffing plans must ensure that:

124.6 (1) the person creating a daily staffing schedule has sufficiently detailed information to  
124.7 create a daily staffing schedule that meets the requirements of the plan;

124.8 (2) daily staffing schedules do not rely on assigning individual nonmanagerial care staff  
124.9 to work overtime hours in excess of 16 hours in a 24-hour period or to work consecutive  
124.10 24-hour periods requiring 16 or more hours;

124.11 (3) a direct care registered nurse is not required or expected to perform functions outside  
124.12 the nurse's professional license;

124.13 (4) a light duty direct care registered nurse is given appropriate assignments;

124.14 (5) a charge nurse does not have patient assignments; and

124.15 (6) daily staffing schedules do not interfere with applicable collective bargaining  
124.16 agreements.

124.17 **Subd. 2a. Development of hospital core staffing plans.** ~~(a)~~ Prior to submitting  
124.18 completing or updating the core staffing plan, as required in subdivision 3, hospitals shall  
124.19 a hospital nurse staffing committee must consult with representatives of the hospital medical  
124.20 staff, managerial and nonmanagerial care staff, and other relevant hospital personnel about  
124.21 the core staffing plan and the expected average number of patients upon which the core  
124.22 staffing plan is based.

124.23 (b) When developing a core staffing plan, a hospital nurse staffing committee must  
124.24 consider all of the following:

124.25 (1) the individual needs and expected census of each inpatient care unit;

124.26 (2) unit-specific patient acuity, including fall risk and behaviors requiring intervention,  
124.27 such as physical aggression toward self or others or destruction of property;

124.28 (3) unit-specific demands on direct care registered nurses' time, including: frequency of  
124.29 admissions, discharges, and transfers; frequency and complexity of patient evaluations and  
124.30 assessments; frequency and complexity of nursing care planning; planning for patient  
124.31 discharge; assessing for patient referral; patient education; and implementing infectious  
124.32 disease protocols;

125.1 (4) the architecture and geography of the inpatient care unit, including the placement of  
125.2 patient rooms, treatment areas, nursing stations, medication preparation areas, and equipment;

125.3 (5) mechanisms and procedures to provide for one-to-one patient observation for patients  
125.4 on psychiatric or other units;

125.5 (6) the stress that direct-care nurses experience when required to work extreme amounts  
125.6 of overtime, such as shifts in excess of 12 hours or multiple consecutive double shifts;

125.7 (7) the need for specialized equipment and technology on the unit;

125.8 (8) other special characteristics of the unit or community patient population, including  
125.9 age, cultural and linguistic diversity and needs, functional ability, communication skills,  
125.10 and other relevant social and socioeconomic factors;

125.11 (9) the skill mix of personnel other than direct care registered nurses providing or  
125.12 supporting direct patient care on the unit;

125.13 (10) mechanisms and procedures for identifying additional registered nurses who are  
125.14 available for direct patient care when patients' unexpected needs exceed the planned workload  
125.15 for direct care staff; and

125.16 (11) demands on direct care registered nurses' time not directly related to providing  
125.17 direct care on a unit, such as involvement in quality improvement activities, professional  
125.18 development, service to the hospital, including serving on the hospital nurse staffing  
125.19 committee or the hospital nurse workload committee, and service to the profession.

125.20 Subd. 2b. **Failure to develop hospital core staffing plans.** If a hospital nurse staffing  
125.21 committee cannot approve a hospital core staffing plan by a majority vote, the members of  
125.22 the nurse staffing committee must enter an expedited arbitration process with an arbitrator  
125.23 who understands patient care needs.

125.24 Subd. 2c. **Objections to hospital core staffing plans.** (a) If hospital management objects  
125.25 to a core staffing plan approved by a majority vote of the hospital nurse staffing committee,  
125.26 the hospital may elect to attempt to amend the core staffing plan through arbitration.

125.27 (b) During an ongoing dispute resolution process, a hospital must continue to implement  
125.28 the core staffing plan as written and approved by the hospital nurse staffing committee.

125.29 (c) If the dispute resolution process results in an amendment to the core staffing plan,  
125.30 the hospital must implement the amended core staffing plan.

125.31 Subd. 2d. **Mandatory submission of core staffing plan to commissioner.** Each hospital  
125.32 must submit to the commissioner the core staffing plans approved by the hospital's nurse

126.1 staffing committee. A hospital must submit any substantial updates to any previously  
 126.2 approved plan, including any amendments to the plan resulting from arbitration, within 30  
 126.3 calendar days of approval of the update by the committee or the conclusion of arbitration.

126.4 ~~Subd. 3. **Standard electronic reporting developed.** (a) Hospitals must submit the core~~  
 126.5 ~~staffing plans to the Minnesota Hospital Association by January 1, 2014. The Minnesota~~  
 126.6 ~~Hospital Association shall include each reporting hospital's core staffing plan on the~~  
 126.7 ~~Minnesota Hospital Association's Minnesota Hospital Quality Report website by April 1,~~  
 126.8 ~~2014. any substantial changes to the core staffing plan shall be updated within 30 days.~~

126.9 ~~(b) The Minnesota Hospital Association shall include on its website for each reporting~~  
 126.10 ~~hospital on a quarterly basis the actual direct patient care hours per patient and per unit.~~  
 126.11 ~~Hospitals must submit the direct patient care report to the Minnesota Hospital Association~~  
 126.12 ~~by July 1, 2014, and quarterly thereafter.~~

126.13 **EFFECTIVE DATE.** This section is effective July 1, 2025.

126.14 Sec. 13. **[144.7056] IMPLEMENTATION OF HOSPITAL CORE STAFFING PLANS.**

126.15 Subdivision 1. **Plan implementation required.** (a) A hospital must implement the core  
 126.16 staffing plans approved annually by a majority vote of its hospital nurse staffing committee.  
 126.17 Nothing in sections 144.7051 to 144.7058 relieves the chief nursing executive of a hospital  
 126.18 from fulfilling the chief nursing executive's duties under Code of Federal Regulations, title  
 126.19 42, section 482.23. If at any time the chief nursing executive believes the types and numbers  
 126.20 of nursing personnel and staff required under the hospital's core staffing plan are insufficient  
 126.21 to provide nursing care for a unit in the hospital, the chief nursing executive may increase  
 126.22 the staffing on that unit beyond the levels required by the plan.

126.23 (b) A core staffing plan does not apply during an emergency and a hospital is not out of  
 126.24 compliance with its core staffing plan during an emergency. A nurse may be required to  
 126.25 accept an additional patient assignment in an emergency.

126.26 (c) The commissioner is required to verify compliance with this section by on-site visits  
 126.27 during routine hospital surveys.

126.28 Subd. 2. **Public posting of core staffing plans.** A hospital must post its core staffing  
 126.29 plan for each inpatient care unit in a public area on the relevant unit.

126.30 Subd. 3. **Public posting of compliance with plan.** For each publicly posted core staffing  
 126.31 plan, a hospital must post a notice stating whether the current staffing on the unit complies  
 126.32 with the hospital's core staffing plan for that unit. The public notice of compliance must  
 126.33 include a list of the number of nonmanagerial care staff working on the unit during the

127.1 current shift and the number of patients assigned to each direct care registered nurse working  
127.2 on the unit during the current shift. The list must enumerate the nonmanagerial care staff  
127.3 by health care worker type. The public notice of compliance must be posted immediately  
127.4 adjacent to the publicly posted core staffing plan.

127.5 Subd. 4. **Public posting of emergency department wait times.** A hospital must maintain  
127.6 on its website and publicly display in its emergency department the approximate wait time  
127.7 for patients who are not in critical need of emergency care. The approximate wait time must  
127.8 be updated at least hourly.

127.9 Subd. 5. **Public distribution of core staffing plan and notice of compliance.** (a) A  
127.10 hospital must include with the posted materials described in subdivisions 2 and 3 a statement  
127.11 that individual copies of the posted materials are available upon request to any patient on  
127.12 the unit, to any visitor of a patient on the unit, or prospective patient. The statement must  
127.13 include specific instructions for obtaining copies of the posted materials.

127.14 (b) A hospital must, within four hours after the request, provide individual copies of all  
127.15 the posted materials described in subdivisions 2 and 3 to any patient on the unit or to any  
127.16 visitor of a patient on the unit who requests the materials.

127.17 Subd. 6. **Reporting noncompliance.** (a) Any hospital employee, patient, or patient  
127.18 family member may submit a concern for safe staffing form to report an instance of  
127.19 noncompliance with a hospital's core staffing plan, to object to the contents of a core staffing  
127.20 plan, or to challenge the process of the hospital nurse staffing committee.

127.21 (b) A hospital must not interfere with or retaliate against a hospital employee for  
127.22 submitting a concern for safe staffing form.

127.23 (c) The commissioner of labor and industry may investigate any report of interference  
127.24 with or retaliation against a hospital employee for submitting a concern for safe staffing  
127.25 form. The commissioner of labor and industry may fine a hospital up to \$250,000 if the  
127.26 commissioner finds the hospital interfered with or retaliated against a hospital employee  
127.27 for submitting a concern for safe staffing form.

127.28 Subd. 7. **Documentation of compliance.** Each hospital must document compliance with  
127.29 its core nursing plans and maintain records demonstrating compliance for each inpatient  
127.30 care unit for five years. Each hospital must provide to its nurse staffing committee access  
127.31 to all documentation required under this subdivision.

127.32 **EFFECTIVE DATE.** This section is effective October 1, 2025.

128.1 Sec. 14. **[144.7057] HOSPITAL NURSE STAFFING REPORTS.**

128.2 **Subdivision 1. Nurse staffing report required.** Each hospital nurse staffing committee  
128.3 must submit quarterly nurse staffing reports to the commissioner. Reports must be submitted  
128.4 within 60 days of the end of the quarter.

128.5 **Subd. 2. Nurse staffing report.** Nurse staffing reports submitted to the commissioner  
128.6 by a hospital nurse staffing committee must:

128.7 (1) identify any suspected incidents of the hospital failing during the reporting quarter  
128.8 to meet the standards of one of its core staffing plans;

128.9 (2) identify each occurrence of the hospital accepting an elective surgery at a time when  
128.10 the unit performing the surgery is out of compliance with its core staffing plan;

128.11 (3) identify problems of insufficient staffing, including but not limited to:

128.12 (i) inappropriate number of direct care registered nurses scheduled in a unit;

128.13 (ii) inappropriate number of direct care registered nurses present and delivering care in  
128.14 a unit;

128.15 (iii) inappropriately experienced direct care registered nurses scheduled for a particular  
128.16 unit;

128.17 (iv) inappropriately experienced direct care registered nurses present and delivering care  
128.18 in a unit;

128.19 (v) inability for nurse supervisors to adjust daily nursing schedules for increased patient  
128.20 acuity or nursing intensity in a unit; and

128.21 (vi) chronically unfilled direct care positions within the hospital;

128.22 (4) identify any units that pose a risk to patient safety due to inadequate staffing;

128.23 (5) propose solutions to solve insufficient staffing;

128.24 (6) propose solutions to reduce risks to patient safety in inadequately staffed units; and

128.25 (7) describe staffing trends within the hospital.

128.26 **Subd. 3. Public posting of nurse staffing reports.** The commissioner must include on  
128.27 its website each quarterly nurse staffing report submitted to the commissioner under  
128.28 subdivision 1.

128.29 **Subd. 4. Standardized reporting.** The commissioner shall develop and provide to each  
128.30 hospital nurse staffing committee a uniform format or standard form the committee must



129.1 use to comply with the nurse staffing reporting requirements under this section. The format  
129.2 or form developed by the commissioner must present the reported information in a manner  
129.3 allowing patients and the public to clearly understand and compare staffing patterns and  
129.4 actual levels of staffing across reporting hospitals. The commissioner must include, in the  
129.5 uniform format or on the standardized form, space to allow the reporting hospital to include  
129.6 a description of additional resources available to support unit-level patient care and a  
129.7 description of the hospital.

129.8 Subd. 5. **Penalties.** Notwithstanding section 144.653, subdivisions 5 and 6, the  
129.9 commissioner may impose an immediate fine of up to \$5,000 for each instance of a failure  
129.10 to report an elective surgery requiring reporting under subdivision 2, clause (2). The facility  
129.11 may request a hearing on the immediate fine under section 144.653, subdivision 8.

129.12 **EFFECTIVE DATE.** This section is effective October 1, 2025.

129.13 Sec. 15. **[144.7058] GRADING OF COMPLIANCE WITH CORE STAFFING PLANS.**

129.14 Subdivision 1. **Grading compliance with core staffing plans.** By January 1, 2026, the  
129.15 commissioner must develop a uniform annual grading system that evaluates each hospital's  
129.16 compliance with its own core staffing plan. The commissioner must assign each hospital a  
129.17 compliance grade based on a review of the hospital's nurse staffing report submitted under  
129.18 section 144.7057. The commissioner must assign a failing compliance grade to any hospital  
129.19 that has not been in compliance with its staffing plan for six or more months during the  
129.20 reporting year.

129.21 Subd. 2. **Grading factors.** When grading a hospital's compliance with its core staffing  
129.22 plan, the commissioner must consider at least the following factors:

129.23 (1) the number of assaults and injuries occurring in the hospital involving patients;

129.24 (2) the prevalence of infections, pressure ulcers, and falls among patients;

129.25 (3) emergency department wait times;

129.26 (4) readmissions;

129.27 (5) use of restraints and other behavior interventions;

129.28 (6) employment turnover rates among direct care registered nurses and other direct care  
129.29 health care workers;

129.30 (7) except in instances when nurses volunteer for overtime, prevalence of overtime  
129.31 among direct care registered nurses and other direct care health care workers;

- 130.1 (8) prevalence of missed shift breaks among direct care registered nurses and other direct  
130.2 care health care workers;
- 130.3 (9) frequency of incidents of being out of compliance with a core staffing plan;
- 130.4 (10) the extent of noncompliance with a core staffing plan; and
- 130.5 (11) number of inpatient psychiatric units.

130.6 Subd. 3. **Public disclosure of compliance grades.** Beginning January 1, 2027, the  
130.7 commissioner must publish a compliance grade for each hospital on the department website  
130.8 with a link to the hospital's core staffing plan, the hospital's nurse staffing reports, and an  
130.9 accessible and easily understandable explanation of what the compliance grade means.

130.10 **EFFECTIVE DATE.** This section is effective January 1, 2026.

130.11 Sec. 16. **[144.7059] RETALIATION AGAINST NURSES PROHIBITED.**

130.12 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
130.13 the meanings given.

130.14 (b) "Emergency" means a period when replacement staff are not able to report for duty  
130.15 for the next shift, or a period of increased patient need, because of unusual, unpredictable,  
130.16 or unforeseen circumstances, including but not limited to an act of terrorism, a disease  
130.17 outbreak, adverse weather conditions, or a natural disaster, that impacts continuity of patient  
130.18 care.

130.19 (c) "Nurse" has the meaning given in section 148.171, subdivision 9, and includes nurses  
130.20 employed by the state.

130.21 (d) "Taking action against" means discharging, disciplining, threatening, reporting to  
130.22 the Board of Nursing, discriminating against, or penalizing regarding compensation, terms,  
130.23 conditions, location, or privileges of employment.

130.24 Subd. 2. **Prohibited actions.** Except as provided in subdivision 5, a hospital or other  
130.25 entity licensed under sections 144.50 to 144.58, and its agent, or other health care facility  
130.26 licensed by the commissioner of health, and the facility's agent, is prohibited from taking  
130.27 action against a nurse solely on the ground that the nurse fails to accept an assignment of  
130.28 one or more additional patients because the nurse reasonably determines that accepting an  
130.29 additional patient assignment may create an unnecessary danger to a patient's life, health,  
130.30 or safety or may otherwise constitute a ground for disciplinary action under section 148.261.  
130.31 This subdivision does not apply to a nursing facility, an intermediate care facility for persons  
130.32 with developmental disabilities, or a licensed boarding care home.

131.1 Subd. 3. **State nurses.** Subdivision 2 applies to nurses employed by the state regardless  
131.2 of the type of facility where the nurse is employed and regardless of the facility's license,  
131.3 if the nurse is involved in resident or patient care.

131.4 Subd. 4. **Collective bargaining rights.** This section does not diminish or impair the  
131.5 rights of a person under any collective bargaining agreement.

131.6 Subd. 5. **Emergency.** A nurse may be required to accept an additional patient assignment  
131.7 in an emergency.

131.8 Subd. 6. **Enforcement.** The commissioner of labor and industry may enforce this section  
131.9 by issuing a compliance order under section 177.27, subdivision 4. The commissioner of  
131.10 labor and industry may assess a fine of up to \$5,000 for each violation of this section.

131.11 Sec. 17. Minnesota Statutes 2022, section 144.7067, subdivision 1, is amended to read:

131.12 **Subdivision 1. Establishment of reporting system.** (a) The commissioner shall establish  
131.13 an adverse health event reporting system designed to facilitate quality improvement in the  
131.14 health care system. The reporting system shall not be designed to punish errors by health  
131.15 care practitioners or health care facility employees.

131.16 (b) The reporting system shall consist of:

131.17 (1) mandatory reporting by facilities of 27 adverse health care events;

131.18 (2) mandatory reporting by facilities of whether the unit where an adverse event occurred  
131.19 was in compliance with the core staffing plan for the unit at the time of the adverse event;

131.20 (3) mandatory completion of a root cause analysis and a corrective action plan by the  
131.21 facility and reporting of the findings of the analysis and the plan to the commissioner or  
131.22 reporting of reasons for not taking corrective action;

131.23 ~~(3)~~ (4) analysis of reported information by the commissioner to determine patterns of  
131.24 systemic failure in the health care system and successful methods to correct these failures;

131.25 ~~(4)~~ (5) sanctions against facilities for failure to comply with reporting system  
131.26 requirements; and

131.27 ~~(5)~~ (6) communication from the commissioner to facilities, health care purchasers, and  
131.28 the public to maximize the use of the reporting system to improve health care quality.

131.29 (c) The commissioner is not authorized to select from or between competing alternate  
131.30 acceptable medical practices.

131.31 **EFFECTIVE DATE.** This section is effective October 1, 2025.

132.1 Sec. 18. Minnesota Statutes 2022, section 147A.08, is amended to read:

132.2 **147A.08 EXEMPTIONS.**

132.3 (a) This chapter does not apply to, control, prevent, or restrict the practice, service, or  
 132.4 activities of persons listed in section 147.09, clauses (1) to (6) and (8) to (13);<sup>2</sup> persons  
 132.5 regulated under section 214.01, subdivision 2;<sup>2</sup> or ~~persons~~ midlevel practitioners, nurses,  
 132.6 or nurse-midwives as defined in section 144.1501, subdivision 1, ~~paragraphs (i), (k), and~~  
 132.7 ~~(l).~~

132.8 (b) Nothing in this chapter shall be construed to require licensure of:

132.9 (1) a physician assistant student enrolled in a physician assistant educational program  
 132.10 accredited by the Accreditation Review Commission on Education for the Physician Assistant  
 132.11 or by its successor agency approved by the board;

132.12 (2) a physician assistant employed in the service of the federal government while  
 132.13 performing duties incident to that employment; or

132.14 (3) technicians, other assistants, or employees of physicians who perform delegated  
 132.15 tasks in the office of a physician but who do not identify themselves as a physician assistant.

132.16 Sec. 19. **BEST PRACTICES TOOLKIT DEVELOPMENT.**

132.17 The commissioner of health must convene a stakeholder group that will meet for six  
 132.18 months to develop a toolkit with best practices for implementation of workload committee  
 132.19 and hospital staffing committees. The toolkit and best practices must include a  
 132.20 recommendation that each hospital utilize a federal mediator or the Office of Collaboration  
 132.21 and Dispute Resolution to moderate the establishment of committees in each hospital. The  
 132.22 commissioner must make the toolkit with the recommended best practices available to  
 132.23 hospitals by July 1, 2024.

132.24 Sec. 20. **DIRECTION TO COMMISSIONER OF HEALTH; DEVELOPMENT OF**  
 132.25 **ANALYTICAL TOOLS.**

132.26 (a) The commissioner of health, in consultation with the Minnesota Nurses Association  
 132.27 and other professional nursing organizations, must develop a means of analyzing available  
 132.28 adverse event data, available staffing data, and available data from concern for safe staffing  
 132.29 forms to examine potential causal links between adverse events and understaffing.

133.1 (b) The commissioner must develop an initial means of conducting the analysis described  
 133.2 in paragraph (a) by January 1, 2025, and publish a public report on the commissioner's  
 133.3 initial findings by January 1, 2026.

133.4 (c) By January 1, 2024, the commissioner must submit to the chairs and ranking minority  
 133.5 members of the house and senate committees with jurisdiction over the regulation of hospitals  
 133.6 a report on the available data, potential sources of additional useful data, and any additional  
 133.7 statutory authority the commissioner requires to collect additional useful information from  
 133.8 hospitals.

133.9 **EFFECTIVE DATE.** This section is effective August 1, 2023.

133.10 Sec. 21. **DIRECTION TO COMMISSIONER OF HEALTH; NURSING**  
 133.11 **WORKFORCE REPORT.**

133.12 (a) The commissioner of health must publish a public report on the current status of the  
 133.13 state's nursing workforce employed by hospitals. In preparing the report, the commissioner  
 133.14 shall utilize information collected in collaboration with the Board of Nursing as directed  
 133.15 under Minnesota Statutes, sections 144.051 and 144.052, on Minnesota's supply of active  
 133.16 licensed nurses and reasons licensed nurses are leaving direct care positions at hospitals;  
 133.17 information collected and shared by the Minnesota Hospital Association on retention by  
 133.18 hospitals of licensed nurses; information collected through an independent study on reasons  
 133.19 licensed nurses are choosing not to renew their licenses and leaving the profession; and  
 133.20 other publicly available data the commissioner deems useful.

133.21 (b) The commissioner must publish the report by January 1, 2026.

133.22 Sec. 22. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES.**

133.23 The commissioner of human services must define as a direct educational expense the  
 133.24 reasonable child care costs incurred by a nursing facility employee scholarship recipient  
 133.25 while the recipient is receiving a wage from the scholarship sponsoring facility, provided  
 133.26 the scholarship recipient is making reasonable progress, as defined by the commissioner,  
 133.27 toward the educational goal for which the scholarship was granted.

133.28 Sec. 23. **INITIAL IMPLEMENTATION OF THE KEEPING NURSES AT THE**  
 133.29 **BEDSIDE ACT.**

133.30 (a) By October 1, 2024, each hospital must establish and convene a hospital nurse staffing  
 133.31 committee as described under Minnesota Statutes, section 144.7053, and a hospital nurse  
 133.32 workload committee as described under Minnesota Statutes, section 144.7054.

134.1 (b) By October 1, 2025, each hospital must implement core staffing plans developed by  
 134.2 its hospital nurse staffing committee and satisfy the plan posting requirements under  
 134.3 Minnesota Statutes, section 144.7056.

134.4 (c) By October 1, 2025, each hospital must submit to the commissioner of health core  
 134.5 staffing plans meeting the requirements of Minnesota Statutes, section 144.7055.

134.6 (d) By October 1, 2025, the commissioner of health must develop a standard concern  
 134.7 for safe staffing form and provide an electronic means of submitting the form to the relevant  
 134.8 hospital nurse staffing committee. The commissioner must base the form on the existing  
 134.9 concern for safe staffing form maintained by the Minnesota Nurses' Association.

134.10 (e) By January 1, 2026, the commissioner of health must provide electronic access to  
 134.11 the uniform format or standard form for nurse staffing reporting described under Minnesota  
 134.12 Statutes, section 144.7057, subdivision 4.

134.13 Sec. 24. **REVISOR INSTRUCTION.**

134.14 In Minnesota Statutes, section 144.7055, the revisor shall renumber paragraphs (b) to  
 134.15 (e) alphabetically as individual subdivisions under Minnesota Statutes, section 144.7051.  
 134.16 The revisor shall make any necessary changes to sentence structure for this renumbering  
 134.17 while preserving the meaning of the text. The revisor shall also make necessary  
 134.18 cross-reference changes in Minnesota Statutes and Minnesota Rules consistent with the  
 134.19 renumbering.

134.20

## ARTICLE 4

134.21

### DEPARTMENT OF HEALTH

134.22 Section 1. Minnesota Statutes 2022, section 13.10, subdivision 5, is amended to read:

134.23 Subd. 5. **Adoption records.** Notwithstanding any provision of this or any other chapter,  
 134.24 adoption records shall be treated as provided in sections 259.53, 259.61, 259.79, and 259.83  
 134.25 to ~~259.89~~ 259.88.

134.26 **EFFECTIVE DATE.** This section is effective July 1, 2024.

134.27 Sec. 2. Minnesota Statutes 2022, section 13.465, subdivision 8, is amended to read:

134.28 Subd. 8. **Adoption records.** Various adoption records are classified under section 259.53,  
 134.29 subdivision 1. Access to the original birth record of a person who has been adopted is  
 134.30 governed by section ~~259.89~~ 144.2252.

135.1 **EFFECTIVE DATE.** This section is effective July 1, 2024.

135.2 Sec. 3. Minnesota Statutes 2022, section 16A.151, subdivision 2, is amended to read:

135.3 Subd. 2. **Exceptions.** (a) If a state official litigates or settles a matter on behalf of specific  
135.4 injured persons or entities, this section does not prohibit distribution of money to the specific  
135.5 injured persons or entities on whose behalf the litigation or settlement efforts were initiated.  
135.6 If money recovered on behalf of injured persons or entities cannot reasonably be distributed  
135.7 to those persons or entities because they cannot readily be located or identified or because  
135.8 the cost of distributing the money would outweigh the benefit to the persons or entities, the  
135.9 money must be paid into the general fund.

135.10 (b) Money recovered on behalf of a fund in the state treasury other than the general fund  
135.11 may be deposited in that fund.

135.12 (c) This section does not prohibit a state official from distributing money to a person or  
135.13 entity other than the state in litigation or potential litigation in which the state is a defendant  
135.14 or potential defendant.

135.15 (d) State agencies may accept funds as directed by a federal court for any restitution or  
135.16 monetary penalty under United States Code, title 18, section 3663(a)(3), or United States  
135.17 Code, title 18, section 3663A(a)(3). Funds received must be deposited in a special revenue  
135.18 account and are appropriated to the commissioner of the agency for the purpose as directed  
135.19 by the federal court.

135.20 (e) Tobacco settlement revenues as defined in section 16A.98, subdivision 1, paragraph  
135.21 (t), may be deposited as provided in section 16A.98, subdivision 12.

135.22 (f) Any money received by the state resulting from a settlement agreement or an assurance  
135.23 of discontinuance entered into by the attorney general of the state, or a court order in litigation  
135.24 brought by the attorney general of the state, on behalf of the state or a state agency, related  
135.25 to alleged violations of consumer fraud laws in the marketing, sale, or distribution of opioids  
135.26 in this state or other alleged illegal actions that contributed to the excessive use of opioids,  
135.27 must be deposited in the settlement account established in the opiate epidemic response  
135.28 fund under section 256.043, subdivision 1. This paragraph does not apply to attorney fees  
135.29 and costs awarded to the state or the Attorney General's Office, to contract attorneys hired  
135.30 by the state or Attorney General's Office, or to other state agency attorneys.

135.31 (g) Notwithstanding paragraph (f), if money is received from a settlement agreement or  
135.32 an assurance of discontinuance entered into by the attorney general of the state or a court  
135.33 order in litigation brought by the attorney general of the state on behalf of the state or a state

136.1 agency against a consulting firm working for an opioid manufacturer or opioid wholesale  
136.2 drug distributor, the commissioner shall deposit any money received into the settlement  
136.3 account established within the opiate epidemic response fund under section 256.042,  
136.4 subdivision 1. Notwithstanding section 256.043, subdivision 3a, paragraph (a), any amount  
136.5 deposited into the settlement account in accordance with this paragraph shall be appropriated  
136.6 to the commissioner of human services to award as grants as specified by the opiate epidemic  
136.7 response advisory council in accordance with section 256.043, subdivision 3a, paragraph  
136.8 (d).

136.9 (h) Any money received by the state resulting from a settlement agreement or an assurance  
136.10 of discontinuance entered into by the attorney general of the state, or a court order in litigation  
136.11 brought by the attorney general of the state on behalf of the state or a state agency related  
136.12 to alleged violations of consumer fraud laws in the marketing, sale, or distribution of  
136.13 electronic nicotine delivery systems in this state or other alleged illegal actions that  
136.14 contributed to the exacerbation of youth nicotine use, must be deposited in the settlement  
136.15 account established in the tobacco use prevention account under section 144.398. This  
136.16 paragraph does not apply to: (1) attorney fees and costs awarded or paid to the state or the  
136.17 Attorney General's Office; (2) contract attorneys hired by the state or Attorney General's  
136.18 Office; or (3) other state agency attorneys.

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

136.20 Sec. 4. **[62J.811] PROVIDER BALANCE BILLING REQUIREMENTS.**

136.21 Subdivision 1. **Billing requirements.** (a) Each health care provider and health facility  
136.22 shall comply with Consolidated Appropriations Act, 2021, Division BB also known as the  
136.23 "No Surprises Act," including any federal regulations adopted under that act.

136.24 (b) For the purposes of this section, "provider" or "facility" means any health care  
136.25 provider or facility pursuant to section 62A.63, subdivision 2, or 62J.03, subdivision 8, that  
136.26 is subject to relevant provisions of the No Surprises Act.

136.27 Subd. 2. **Investigations and compliance.** (a) The commissioner shall, to the extent  
136.28 practicable, seek the cooperation of health care providers and facilities, and may provide  
136.29 any support and assistance as available, in obtaining compliance with this section.

136.30 (b) The commissioner shall determine the manner and processes for fulfilling any  
136.31 responsibilities and taking any of the actions in paragraphs (c) to (f).



137.1 (c) A person who believes a health care provider or facility has not complied with the  
137.2 requirements of the No Surprises Act or this section may file a complaint with the  
137.3 commissioner in the manner determined by the commissioner.

137.4 (d) The commissioner shall conduct compliance reviews and investigate complaints  
137.5 filed under this section in the manner determined by the commissioner to ascertain whether  
137.6 health care providers and facilities are complying with this section.

137.7 (e) The commissioner may report violations under this section to other relevant federal  
137.8 and state departments and jurisdictions as appropriate, including the attorney general and  
137.9 relevant licensing boards, and may also coordinate on investigations and enforcement of  
137.10 this section with other relevant federal and state departments and jurisdictions as appropriate,  
137.11 including the attorney general and relevant licensing boards.

137.12 (f) A health care provider or facility may contest whether the finding of facts constitute  
137.13 a violation of this section according to the contested case proceeding in sections 14.57 to  
137.14 14.62, subject to appeal according to sections 14.63 to 14.68.

137.15 (g) Any data collected by the commissioner as part of an active investigation or active  
137.16 compliance review under this section are classified as protected nonpublic data pursuant to  
137.17 section 13.02, subdivision 13, in the case of data not on individuals and confidential pursuant  
137.18 to section 13.02, subdivision 3, in the case of data on individuals. Data describing the final  
137.19 disposition of an investigation or compliance review are classified as public.

137.20 Subd. 3. **Civil penalty.** (a) The commissioner, in monitoring and enforcing this section,  
137.21 may levy a civil monetary penalty against each health care provider or facility found to be  
137.22 in violation of up to \$100 for each violation, but may not exceed \$25,000 for identical  
137.23 violations during a calendar year.

137.24 (b) No civil monetary penalty shall be imposed under this section for violations that  
137.25 occur prior to January 1, 2024.

137.26 Sec. 5. Minnesota Statutes 2022, section 62J.84, subdivision 2, is amended to read:

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

137.29 (b) "Biosimilar" means a drug that is produced or distributed pursuant to a biologics  
137.30 license application approved under United States Code, title 42, section 262(K)(3).

137.31 (c) "Brand name drug" means a drug that is produced or distributed pursuant to:

138.1 (1) ~~an original~~, a new drug application approved under United States Code, title 21,  
138.2 section 355(c), except for a generic drug as defined under Code of Federal Regulations,  
138.3 title 42, section 447.502; or

138.4 (2) a biologics license application approved under United States Code, title ~~45~~ 42, section  
138.5 262(a)(c).

138.6 (d) "Commissioner" means the commissioner of health.

138.7 (e) "Generic drug" means a drug that is marketed or distributed pursuant to:

138.8 (1) an abbreviated new drug application approved under United States Code, title 21,  
138.9 section 355(j);

138.10 (2) an authorized generic as defined under Code of Federal Regulations, title ~~45~~ 42,  
138.11 section 447.502; or

138.12 (3) a drug that entered the market the year before 1962 and was not originally marketed  
138.13 under a new drug application.

138.14 (f) "Manufacturer" means a drug manufacturer licensed under section 151.252.

138.15 (g) "New prescription drug" or "new drug" means a prescription drug approved for  
138.16 marketing by the United States Food and Drug Administration (FDA) for which no previous  
138.17 wholesale acquisition cost has been established for comparison.

138.18 (h) "Patient assistance program" means a program that a manufacturer offers to the public  
138.19 in which a consumer may reduce the consumer's out-of-pocket costs for prescription drugs  
138.20 by using coupons, discount cards, prepaid gift cards, manufacturer debit cards, or by other  
138.21 means.

138.22 (i) "Prescription drug" or "drug" has the meaning provided in section 151.441, subdivision  
138.23 8.

138.24 (j) "Price" means the wholesale acquisition cost as defined in United States Code, title  
138.25 42, section 1395w-3a(c)(6)(B).

138.26 (k) "30-day supply" means the total daily dosage units of a prescription drug  
138.27 recommended by the prescribing label approved by the FDA for 30 days. If the  
138.28 FDA-approved prescribing label includes more than one recommended daily dosage, the  
138.29 30-day supply is based on the maximum recommended daily dosage on the FDA-approved  
138.30 prescribing label.

138.31 (l) "Course of treatment" means the total dosage of a single prescription for a prescription  
138.32 drug recommended by the FDA-approved prescribing label. If the FDA-approved prescribing

139.1 label includes more than one recommended dosage for a single course of treatment, the  
139.2 course of treatment is the maximum recommended dosage on the FDA-approved prescribing  
139.3 label.

139.4 (m) "Drug product family" means a group of one or more prescription drugs that share  
139.5 a unique generic drug description or nontrade name and dosage form.

139.6 (n) "National drug code" means the three-segment code maintained by the federal Food  
139.7 and Drug Administration that includes a labeler code, a product code, and a package code  
139.8 for a drug product and that has been converted to an 11-digit format consisting of five digits  
139.9 in the first segment, four digits in the second segment, and two digits in the third segment.  
139.10 A three-segment code shall be considered converted to an 11-digit format when, as necessary,  
139.11 at least one "0" has been added to the front of each segment containing less than the specified  
139.12 number of digits such that each segment contains the specified number of digits.

139.13 (o) "Pharmacy" or "pharmacy provider" means a place of business licensed by the Board  
139.14 of Pharmacy under section 151.19 in which prescription drugs are prepared, compounded,  
139.15 or dispensed under the supervision of a pharmacist.

139.16 (p) "Pharmacy benefits manager" or "PBM" means an entity licensed to act as a pharmacy  
139.17 benefits manager under section 62W.03.

139.18 (q) "Pricing unit" means the smallest dispensable amount of a prescription drug product  
139.19 that could be dispensed.

139.20 (r) "Reporting entity" means any manufacturer, pharmacy, pharmacy benefits manager,  
139.21 wholesale drug distributor, or any other entity required to submit data under section 62J.84.

139.22 (s) "Wholesale drug distributor" or "wholesaler" means an entity that:

139.23 (1) is licensed to act as a wholesale drug distributor under section 151.47; and

139.24 (2) distributes prescription drugs, of which it is not the manufacturer, to persons or  
139.25 entities, or both, other than a consumer or patient in the state.

139.26 Sec. 6. Minnesota Statutes 2022, section 62J.84, subdivision 3, is amended to read:

139.27 **Subd. 3. Prescription drug price increases reporting.** (a) Beginning January 1, 2022,  
139.28 a drug manufacturer must submit to the commissioner the information described in paragraph  
139.29 (b) for each prescription drug for which the price was \$100 or greater for a 30-day supply  
139.30 or for a course of treatment lasting less than 30 days and:

140.1 (1) for brand name drugs where there is an increase of ten percent or greater in the price  
140.2 over the previous 12-month period or an increase of 16 percent or greater in the price over  
140.3 the previous 24-month period; and

140.4 (2) for generic or biosimilar drugs where there is an increase of 50 percent or greater in  
140.5 the price over the previous 12-month period.

140.6 (b) For each of the drugs described in paragraph (a), the manufacturer shall submit to  
140.7 the commissioner no later than 60 days after the price increase goes into effect, in the form  
140.8 and manner prescribed by the commissioner, the following information, if applicable:

140.9 (1) the ~~name~~ description and price of the drug and the net increase, expressed as a  
140.10 percentage; with the following listed separately:

140.11 (i) the national drug code;

140.12 (ii) the product name;

140.13 (iii) the dosage form;

140.14 (iv) the strength;

140.15 (v) the package size;

140.16 (2) the factors that contributed to the price increase;

140.17 (3) the name of any generic version of the prescription drug available on the market;

140.18 (4) the introductory price of the prescription drug when it was ~~approved for marketing~~  
140.19 ~~by the Food and Drug Administration and the net yearly increase, by calendar year, in the~~  
140.20 ~~price of the prescription drug during the previous five years~~ introduced for sale in the United  
140.21 States and the price of the drug on the last day of each of the five calendar years preceding  
140.22 the price increase;

140.23 (5) the direct costs incurred during the previous 12-month period by the manufacturer  
140.24 that are associated with the prescription drug, listed separately:

140.25 (i) to manufacture the prescription drug;

140.26 (ii) to market the prescription drug, including advertising costs; and

140.27 (iii) to distribute the prescription drug;

140.28 (6) the total sales revenue for the prescription drug during the previous 12-month period;

140.29 (7) the manufacturer's net profit attributable to the prescription drug during the previous  
140.30 12-month period;

141.1 (8) the total amount of financial assistance the manufacturer has provided through patient  
141.2 prescription assistance programs during the previous 12-month period, if applicable;

141.3 (9) any agreement between a manufacturer and another entity contingent upon any delay  
141.4 in offering to market a generic version of the prescription drug;

141.5 (10) the patent expiration date of the prescription drug if it is under patent;

141.6 (11) the name and location of the company that manufactured the drug; ~~and~~

141.7 (12) if a brand name prescription drug, the ~~ten~~ highest ~~prices~~ price paid for the  
141.8 prescription drug during the previous calendar year in ~~any country other than the ten~~  
141.9 countries, excluding the United States, that charged the highest single price for the  
141.10 prescription drug; and

141.11 (13) if the prescription drug was acquired by the manufacturer during the previous  
141.12 12-month period, all of the following information:

141.13 (i) price at acquisition;

141.14 (ii) price in the calendar year prior to acquisition;

141.15 (iii) name of the company from which the drug was acquired;

141.16 (iv) date of acquisition; and

141.17 (v) acquisition price.

141.18 (c) The manufacturer may submit any documentation necessary to support the information  
141.19 reported under this subdivision.

141.20 Sec. 7. Minnesota Statutes 2022, section 62J.84, subdivision 4, is amended to read:

141.21 Subd. 4. **New prescription drug price reporting.** (a) Beginning January 1, 2022, no  
141.22 later than 60 days after a manufacturer introduces a new prescription drug for sale in the  
141.23 United States that is a new brand name drug with a price that is greater than the tier threshold  
141.24 established by the Centers for Medicare and Medicaid Services for specialty drugs in the  
141.25 Medicare Part D program for a 30-day supply or for a course of treatment lasting less than  
141.26 30 days or a new generic or biosimilar drug with a price that is greater than the tier threshold  
141.27 established by the Centers for Medicare and Medicaid Services for specialty drugs in the  
141.28 Medicare Part D program for a 30-day supply or for a course of treatment lasting less than  
141.29 30 days and is not at least 15 percent lower than the referenced brand name drug when the  
141.30 generic or biosimilar drug is launched, the manufacturer must submit to the commissioner,

142.1 in the form and manner prescribed by the commissioner, the following information, if  
142.2 applicable:

142.3 (1) the description of the drug, with the following listed separately:

142.4 (i) the national drug code;

142.5 (ii) the product name;

142.6 (iii) the dosage form;

142.7 (iv) the strength;

142.8 (v) the package size;

142.9 ~~(1)~~ (2) the price of the prescription drug;

142.10 ~~(2)~~ (3) whether the Food and Drug Administration granted the new prescription drug a  
142.11 breakthrough therapy designation or a priority review;

142.12 ~~(3)~~ (4) the direct costs incurred by the manufacturer that are associated with the  
142.13 prescription drug, listed separately:

142.14 (i) to manufacture the prescription drug;

142.15 (ii) to market the prescription drug, including advertising costs; and

142.16 (iii) to distribute the prescription drug; and

142.17 ~~(4)~~ (5) the patent expiration date of the drug if it is under patent.

142.18 (b) The manufacturer may submit documentation necessary to support the information  
142.19 reported under this subdivision.

142.20 Sec. 8. Minnesota Statutes 2022, section 62J.84, subdivision 6, is amended to read:

142.21 **Subd. 6. Public posting of prescription drug price information.** (a) The commissioner  
142.22 shall post on the department's website, or may contract with a private entity or consortium  
142.23 that satisfies the standards of section 62U.04, subdivision 6, to meet this requirement, the  
142.24 following information:

142.25 (1) a list of the prescription drugs reported under subdivisions ~~3, 4, and 5~~, to 6 and 9 to  
142.26 14 and the manufacturers of those prescription drugs; and

142.27 (2) information reported to the commissioner under subdivisions ~~3, 4, and 5~~ to 6 and 9  
142.28 to 14.

143.1 (b) The information must be published in an easy-to-read format and in a manner that  
143.2 identifies the information that is disclosed on a per-drug basis and must not be aggregated  
143.3 in a manner that prevents the identification of the prescription drug.

143.4 (c) The commissioner shall not post to the department's website or a private entity  
143.5 contracting with the commissioner shall not post any information described in this section  
143.6 if the information is not public data under section 13.02, subdivision 8a; or is trade secret  
143.7 information under section 13.37, subdivision 1, paragraph (b); or is trade secret information  
143.8 pursuant to the Defend Trade Secrets Act of 2016, United States Code, title 18, section  
143.9 1836, as amended. If a manufacturer believes information should be withheld from public  
143.10 disclosure pursuant to this paragraph, the manufacturer must clearly and specifically identify  
143.11 that information and describe the legal basis in writing when the manufacturer submits the  
143.12 information under this section. If the commissioner disagrees with the manufacturer's request  
143.13 to withhold information from public disclosure, the commissioner shall provide the  
143.14 manufacturer written notice that the information will be publicly posted 30 days after the  
143.15 date of the notice.

143.16 (d) If the commissioner withholds any information from public disclosure pursuant to  
143.17 this subdivision, the commissioner shall post to the department's website a report describing  
143.18 the nature of the information and the commissioner's basis for withholding the information  
143.19 from disclosure.

143.20 (e) To the extent the information required to be posted under this subdivision is collected  
143.21 and made available to the public by another state, by the University of Minnesota, or through  
143.22 an online drug pricing reference and analytical tool, the commissioner may reference the  
143.23 availability of this drug price data from another source including, within existing  
143.24 appropriations, creating the ability of the public to access the data from the source for  
143.25 purposes of meeting the reporting requirements of this subdivision.

143.26 Sec. 9. Minnesota Statutes 2022, section 62J.84, subdivision 7, is amended to read:

143.27 **Subd. 7. Consultation.** (a) The commissioner may consult with a private entity or  
143.28 consortium that satisfies the standards of section 62U.04, subdivision 6, the University of  
143.29 Minnesota, or the commissioner of commerce, as appropriate, in issuing the form and format  
143.30 of the information reported under this section; in posting information pursuant to subdivision  
143.31 6; and in taking any other action for the purpose of implementing this section.

143.32 (b) The commissioner may consult with representatives of the ~~manufacturers~~ reporting  
143.33 entities to establish a standard format for reporting information under this section and may

144.1 use existing reporting methodologies to establish a standard format to minimize  
144.2 administrative burdens to the state and ~~manufacturers~~ reporting entities.

144.3 Sec. 10. Minnesota Statutes 2022, section 62J.84, subdivision 8, is amended to read:

144.4 Subd. 8. **Enforcement and penalties.** (a) A ~~manufacturer~~ reporting entity may be subject  
144.5 to a civil penalty, as provided in paragraph (b), for:

144.6 (1) failing to register under subdivision 15;

144.7 ~~(1)~~ (2) failing to submit timely reports or notices as required by this section;

144.8 ~~(2)~~ (3) failing to provide information required under this section; or

144.9 ~~(3)~~ (4) providing inaccurate or incomplete information under this section.

144.10 (b) The commissioner shall adopt a schedule of civil penalties, not to exceed \$10,000  
144.11 per day of violation, based on the severity of each violation.

144.12 (c) The commissioner shall impose civil penalties under this section as provided in  
144.13 section 144.99, subdivision 4.

144.14 (d) The commissioner may remit or mitigate civil penalties under this section upon terms  
144.15 and conditions the commissioner considers proper and consistent with public health and  
144.16 safety.

144.17 (e) Civil penalties collected under this section shall be deposited in the health care access  
144.18 fund.

144.19 Sec. 11. Minnesota Statutes 2022, section 62J.84, subdivision 9, is amended to read:

144.20 Subd. 9. **Legislative report.** (a) No later than May 15, 2022, and by January 15 of each  
144.21 year thereafter, the commissioner shall report to the chairs and ranking minority members  
144.22 of the legislative committees with jurisdiction over commerce and health and human services  
144.23 policy and finance on the implementation of this section, including but not limited to the  
144.24 effectiveness in addressing the following goals:

144.25 (1) promoting transparency in pharmaceutical pricing for the state and other payers;

144.26 (2) enhancing the understanding on pharmaceutical spending trends; and

144.27 (3) assisting the state and other payers in the management of pharmaceutical costs.

144.28 (b) The report must include a summary of the information submitted to the commissioner  
144.29 under subdivisions ~~3, 4, and 5~~ to 6 and 9 to 14.



145.1 Sec. 12. Minnesota Statutes 2022, section 62J.84, is amended by adding a subdivision to  
145.2 read:

145.3 Subd. 10. **Notice of prescription drugs of substantial public interest.** (a) No later than  
145.4 January 31, 2024, and quarterly thereafter, the commissioner shall produce and post on the  
145.5 department's website a list of prescription drugs that the department determines to represent  
145.6 a substantial public interest and for which the department intends to request data under  
145.7 subdivisions 9 to 14, subject to paragraph (c). The department shall base its inclusion of  
145.8 prescription drugs on any information the department determines is relevant to providing  
145.9 greater consumer awareness of the factors contributing to the cost of prescription drugs in  
145.10 the state, and the department shall consider drug product families that include prescription  
145.11 drugs:

145.12 (1) that triggered reporting under subdivisions 3, 4, or 6 during the previous calendar  
145.13 quarter;

145.14 (2) for which average claims paid amounts exceeded 125 percent of the price as of the  
145.15 claim incurred date during the most recent calendar quarter for which claims paid amounts  
145.16 are available; or

145.17 (3) that are identified by members of the public during a public comment period process.

145.18 (b) Not sooner than 30 days after publicly posting the list of prescription drugs under  
145.19 paragraph (a), the department shall notify, via email, reporting entities registered with the  
145.20 department of the requirement to report under subdivisions 9 to 14.

145.21 (c) No more than 500 prescription drugs may be designated as having a substantial public  
145.22 interest in any one notice.

145.23 Sec. 13. Minnesota Statutes 2022, section 62J.84, is amended by adding a subdivision to  
145.24 read:

145.25 Subd. 11. **Manufacturer prescription drug substantial public interest reporting.** (a)  
145.26 Beginning January 1, 2024, a manufacturer must submit to the commissioner the information  
145.27 described in paragraph (b) for any prescription drug:

145.28 (1) included in a notification to report issued to the manufacturer by the department  
145.29 under subdivision 10;

145.30 (2) which the manufacturer manufactures or repackages;

145.31 (3) for which the manufacturer sets the wholesale acquisition cost; and

146.1 (4) for which the manufacturer has not submitted data under subdivision 3 or 6 during  
146.2 the 120-day period prior to the date of the notification to report.

146.3 (b) For each of the drugs described in paragraph (a), the manufacturer shall submit to  
146.4 the commissioner no later than 60 days after the date of the notification to report, in the  
146.5 form and manner prescribed by the commissioner, the following information, if applicable:

146.6 (1) a description of the drug with the following listed separately:

146.7 (i) the national drug code;

146.8 (ii) the product name;

146.9 (iii) the dosage form;

146.10 (iv) the strength; and

146.11 (v) the package size;

146.12 (2) the price of the drug product on the later of:

146.13 (i) the day one year prior to the date of the notification to report;

146.14 (ii) the introduced to market date; or

146.15 (iii) the acquisition date;

146.16 (3) the price of the drug product on the date of the notification to report;

146.17 (4) the introductory price of the prescription drug when it was introduced for sale in the  
146.18 United States and the price of the drug on the last day of each of the five calendar years  
146.19 preceding the date of the notification to report;

146.20 (5) the direct costs incurred during the 12-month period prior to the date of the notification  
146.21 to report by the manufacturers that are associated with the prescription drug, listed separately:

146.22 (i) to manufacture the prescription drug;

146.23 (ii) to market the prescription drug, including advertising costs; and

146.24 (iii) to distribute the prescription drug;

146.25 (6) the number of units of the prescription drug sold during the 12-month period prior  
146.26 to the date of the notification to report;

146.27 (7) the total sales revenue for the prescription drug during the 12-month period prior to  
146.28 the date of the notification to report;

147.1 (8) the total rebate payable amount accrued for the prescription drug during the 12-month  
147.2 period prior to the date of the notification to report;

147.3 (9) the manufacturer's net profit attributable to the prescription drug during the 12-month  
147.4 period prior to the date of the notification to report;

147.5 (10) the total amount of financial assistance the manufacturer has provided through  
147.6 patient prescription assistance programs during the 12-month period prior to the date of the  
147.7 notification to report, if applicable;

147.8 (11) any agreement between a manufacturer and another entity contingent upon any  
147.9 delay in offering to market a generic version of the prescription drug;

147.10 (12) the patent expiration date of the prescription drug if the prescription drug is under  
147.11 patent;

147.12 (13) the name and location of the company that manufactured the drug;

147.13 (14) if the prescription drug is a brand name prescription drug, the ten countries other  
147.14 than the United States that paid the highest prices for the prescription drug during the  
147.15 previous calendar year and their prices; and

147.16 (15) if the prescription drug was acquired by the manufacturer within a 12-month period  
147.17 prior to the date of the notification to report, all of the following information:

147.18 (i) the price at acquisition;

147.19 (ii) the price in the calendar year prior to acquisition;

147.20 (iii) the name of the company from which the drug was acquired;

147.21 (iv) the date of acquisition; and

147.22 (v) the acquisition price.

147.23 (c) The manufacturer may submit any documentation necessary to support the information  
147.24 reported under this subdivision.

147.25 Sec. 14. Minnesota Statutes 2022, section 62J.84, is amended by adding a subdivision to  
147.26 read:

147.27 Subd. 12. **Pharmacy prescription drug substantial public interest reporting.** (a)  
147.28 Beginning January 1, 2024, a pharmacy must submit to the commissioner the information  
147.29 described in paragraph (b) for any prescription drug included in a notification to report  
147.30 issued to the pharmacy by the department under subdivision 9.

- 148.1 (b) For each of the drugs described in paragraph (a), the pharmacy shall submit to the  
148.2 commissioner no later than 60 days after the date of the notification to report, in the form  
148.3 and manner prescribed by the commissioner, the following information, if applicable:
- 148.4 (1) a description of the drug with the following listed separately:
- 148.5 (i) the national drug code;
- 148.6 (ii) the product name;
- 148.7 (iii) the dosage form;
- 148.8 (iv) the strength; and
- 148.9 (v) the package size;
- 148.10 (2) the number of units of the drug acquired during the 12-month period prior to the date  
148.11 of the notification to report;
- 148.12 (3) the total spent before rebates by the pharmacy to acquire the drug during the 12-month  
148.13 period prior to the date of the notification to report;
- 148.14 (4) the total rebate receivable amount accrued by the pharmacy for the drug during the  
148.15 12-month period prior to the date of the notification to report;
- 148.16 (5) the number of pricing units of the drug dispensed by the pharmacy during the  
148.17 12-month period prior to the date of the notification to report;
- 148.18 (6) the total payment receivable by the pharmacy for dispensing the drug including  
148.19 ingredient cost, dispensing fee, and administrative fees during the 12-month period prior  
148.20 to the date of the notification to report;
- 148.21 (7) the total rebate payable amount accrued by the pharmacy for the drug during the  
148.22 12-month period prior to the date of the notification to report; and
- 148.23 (8) the average cash price paid by consumers per pricing unit for prescriptions dispensed  
148.24 where no claim was submitted to a health care service plan or health insurer during the  
148.25 12-month period prior to the date of the notification to report.
- 148.26 (c) The pharmacy may submit any documentation necessary to support the information  
148.27 reported under this subdivision.

149.1 Sec. 15. Minnesota Statutes 2022, section 62J.84, is amended by adding a subdivision to  
149.2 read:

149.3 Subd. 13. **PBM prescription drug substantial public interest reporting.** (a) Beginning  
149.4 January 1, 2024, a PBM must submit to the commissioner the information described in  
149.5 paragraph (b) for any prescription drug included in a notification to report issued to the  
149.6 PBM by the department under subdivision 9.

149.7 (b) For each of the drugs described in paragraph (a), the PBM shall submit to the  
149.8 commissioner no later than 60 days after the date of the notification to report, in the form  
149.9 and manner prescribed by the commissioner, the following information, if applicable:

149.10 (1) a description of the drug with the following listed separately:

149.11 (i) the national drug code;

149.12 (ii) the product name;

149.13 (iii) the dosage form;

149.14 (iv) the strength; and

149.15 (v) the package size;

149.16 (2) the number of pricing units of the drug product filled for which the PBM administered  
149.17 claims during the 12-month period prior to the date of the notification to report;

149.18 (3) the total reimbursement amount accrued and payable to pharmacies for pricing units  
149.19 of the drug product filled for which the PBM administered claims during the 12-month  
149.20 period prior to the date of the notification to report;

149.21 (4) the total reimbursement or administrative fee amount, or both, accrued and receivable  
149.22 from payers for pricing units of the drug product filled for which the PBM administered  
149.23 claims during the 12-month period prior to the date of the notification to report;

149.24 (5) the total rebate receivable amount accrued by the PBM for the drug product during  
149.25 the 12-month period prior to the date of the notification to report; and

149.26 (6) the total rebate payable amount accrued by the PBM for the drug product during the  
149.27 12-month period prior to the date of the notification to report.

149.28 (c) The PBM may submit any documentation necessary to support the information  
149.29 reported under this subdivision.

150.1 Sec. 16. Minnesota Statutes 2022, section 62J.84, is amended by adding a subdivision to  
150.2 read:

150.3 Subd. 14. **Wholesaler prescription drug substantial public interest reporting.** (a)  
150.4 Beginning January 1, 2024, a wholesaler must submit to the commissioner the information  
150.5 described in paragraph (b) for any prescription drug included in a notification to report  
150.6 issued to the wholesaler by the department under subdivision 10.

150.7 (b) For each of the drugs described in paragraph (a), the wholesaler shall submit to the  
150.8 commissioner no later than 60 days after the date of the notification to report, in the form  
150.9 and manner prescribed by the commissioner, the following information, if applicable:

150.10 (1) a description of the drug with the following listed separately:

150.11 (i) the national drug code;

150.12 (ii) the product name;

150.13 (iii) the dosage form;

150.14 (iv) the strength; and

150.15 (v) the package size;

150.16 (2) the number of units of the drug product acquired by the wholesale drug distributor  
150.17 during the 12-month period prior to the date of the notification to report;

150.18 (3) the total spent before rebates by the wholesale drug distributor to acquire the drug  
150.19 product during the 12-month period prior to the date of the notification to report;

150.20 (4) the total rebate receivable amount accrued by the wholesale drug distributor for the  
150.21 drug product during the 12-month period prior to the date of the notification to report;

150.22 (5) the number of units of the drug product sold by the wholesale drug distributor during  
150.23 the 12-month period prior to the date of the notification to report;

150.24 (6) gross revenue from sales in the United States generated by the wholesale drug  
150.25 distributor for this drug product during the 12-month period prior to the date of the  
150.26 notification to report; and

150.27 (7) total rebate payable amount accrued by the wholesale drug distributor for the drug  
150.28 product during the 12-month period prior to the date of the notification to report.

150.29 (c) The wholesaler may submit any documentation necessary to support the information  
150.30 reported under this subdivision.

151.1 Sec. 17. Minnesota Statutes 2022, section 62J.84, is amended by adding a subdivision to  
151.2 read:

151.3 Subd. 15. **Registration requirements.** Beginning January 1, 2024, a reporting entity  
151.4 subject to this chapter shall register with the department in a form and manner prescribed  
151.5 by the commissioner.

151.6 Sec. 18. Minnesota Statutes 2022, section 62J.84, is amended by adding a subdivision to  
151.7 read:

151.8 Subd. 16. **Rulemaking.** For the purposes of this section, the commissioner may use the  
151.9 expedited rulemaking process under section 14.389.

151.10 Sec. 19. Minnesota Statutes 2022, section 103I.005, subdivision 17a, is amended to read:

151.11 Subd. 17a. **Temporary boring Submerged closed-loop heat exchanger.** "Temporary  
151.12 boring" "Submerged closed-loop heat exchanger" means an excavation that is 15 feet or  
151.13 more in depth, is sealed within 72 hours of the time of construction, and is drilled, cored,  
151.14 washed, driven, dug, jetted, or otherwise constructed to a heating and cooling system that:

151.15 (1) conduct physical, chemical, or biological testing of groundwater, including  
151.16 groundwater quality monitoring is installed in a water supply well;

151.17 (2) monitor or measure physical, chemical, radiological, or biological parameters of  
151.18 earth materials or earth fluids, including hydraulic conductivity, bearing capacity, or  
151.19 resistance utilizes the convective flow of groundwater as the primary medium of heat  
151.20 exchange;

151.21 (3) measure groundwater levels, including use of a piezometer contains potable water  
151.22 as the heat transfer fluid; and

151.23 (4) determine groundwater flow direction or velocity is operated using nonconsumptive  
151.24 recirculation.

151.25 A submerged closed-loop heat exchanger also includes submersible pumps, a heat exchanger  
151.26 device, piping, and other necessary appurtenances.

151.27 Sec. 20. Minnesota Statutes 2022, section 103I.005, is amended by adding a subdivision  
151.28 to read:

151.29 Subd. 17b. **Temporary boring.** "Temporary boring" means an excavation that is 15  
151.30 feet or more in depth; is sealed within 72 hours of the time of construction; and is drilled,  
151.31 cored, washed, driven, dug, jetted, or otherwise constructed to:

152.1 (1) conduct physical, chemical, or biological testing of groundwater, including  
152.2 groundwater quality monitoring;

152.3 (2) monitor or measure physical, chemical, radiological, or biological parameters of  
152.4 earth materials or earth fluids, including hydraulic conductivity, bearing capacity, or  
152.5 resistance;

152.6 (3) measure groundwater levels, including use of a piezometer; and

152.7 (4) determine groundwater flow direction or velocity.

152.8 Sec. 21. Minnesota Statutes 2022, section 103I.005, subdivision 20a, is amended to read:

152.9 Subd. 20a. **Water supply well.** "Water supply well" means a well that is not a dewatering  
152.10 well or environmental well and includes wells used:

152.11 (1) for potable water supply;

152.12 (2) for irrigation;

152.13 (3) for agricultural, commercial, or industrial water supply;

152.14 (4) for heating or cooling; ~~and~~

152.15 (5) for containing a submerged closed-loop heat exchanger; and

152.16 (6) for testing water yield for irrigation, commercial or industrial uses, residential supply,  
152.17 or public water supply.

152.18 Sec. 22. **[103I.631] INSTALLATION OF A SUBMERGED CLOSED-LOOP HEAT**  
152.19 **EXCHANGER.**

152.20 Subdivision 1. **Installation.** Notwithstanding any other provision of law, the  
152.21 commissioner must allow the installation of a submerged closed-loop heat exchanger in a  
152.22 water supply well. A project may consist of more than one water supply well on a particular  
152.23 site.

152.24 Subd. 2. **Setbacks.** Water supply wells used only for the nonpotable purpose of providing  
152.25 heating and cooling using a submerged closed-loop heat exchanger are exempt from isolation  
152.26 distance requirements greater than ten feet.

152.27 Subd. 3. **Construction.** The screened interval of a water supply well constructed to  
152.28 contain a submerged closed-loop heat exchanger completed within a single aquifer may be  
152.29 designed and constructed using any combination of screen, casing, leader, riser, sump, or  
152.30 other piping combinations if the screen configuration does not interconnect aquifers.



153.1 Subd. 4. **Permits.** A submerged closed-loop heat exchanger is not subject to the permit  
153.2 requirements in this chapter.

153.3 Subd. 5. **Variations.** A variance is not required to install or operate a submerged  
153.4 closed-loop heat exchanger.

153.5 Sec. 23. Minnesota Statutes 2022, section 121A.335, subdivision 3, is amended to read:

153.6 Subd. 3. **Frequency of testing.** (a) The plan under subdivision 2 must include a testing  
153.7 schedule for every building serving prekindergarten through grade 12 students. The schedule  
153.8 must require that each building be tested at least once every five years. A school district or  
153.9 charter school must begin testing school buildings by July 1, 2018, and complete testing of  
153.10 all buildings that serve students within five years.

153.11 ~~(b) A school district or charter school that finds lead at a specific location providing~~  
153.12 ~~cooking or drinking water within a facility must formulate, make publicly available, and~~  
153.13 ~~implement a plan that is consistent with established guidelines and recommendations to~~  
153.14 ~~ensure that student exposure to lead is minimized. This includes, when a school district or~~  
153.15 ~~charter school finds the presence of lead at a level where action should be taken as set by~~  
153.16 ~~the guidance in any water source that can provide cooking or drinking water, immediately~~  
153.17 ~~shutting off the water source or making it unavailable until the hazard has been minimized.~~

153.18 Sec. 24. Minnesota Statutes 2022, section 121A.335, subdivision 5, is amended to read:

153.19 Subd. 5. **Reporting.** (a) A school district or charter school that has tested its buildings  
153.20 for the presence of lead shall make the results of the testing available to the public for review  
153.21 and must directly notify parents annually of the availability of the information. School  
153.22 districts and charter schools must follow the actions outlined in guidance from the  
153.23 commissioners of health and education. ~~If a test conducted under subdivision 3, paragraph~~  
153.24 ~~(a), reveals the presence of lead above a level where action should be taken as set by the~~  
153.25 ~~guidance, the school district or charter school must, within 30 days of receiving the test~~  
153.26 ~~result, either remediate the presence of lead to below the level set in guidance, verified by~~  
153.27 ~~retest, or directly notify parents of the test result. The school district or charter school must~~  
153.28 ~~make the water source unavailable until the hazard has been minimized.~~

153.29 (b) Results of testing, and any planned remediation steps, shall be made available within  
153.30 30 days of receiving results.

153.31 (c) A school district or charter school that has tested for lead in drinking water shall  
153.32 report the results of testing, and any planned remediation steps to the school board at the

154.1 next available school board meeting or within 30 days of receiving results, whichever is  
154.2 sooner.

154.3 (d) The school district or charter school shall maintain records of lead testing in drinking  
154.4 water records electronically or by paper copy for at least 15 years.

154.5 (e) Beginning July 1, 2024, school districts and charter schools must report their test  
154.6 results and remediation activities to the commissioner of health annually on or before July  
154.7 1 of each year.

154.8 Sec. 25. Minnesota Statutes 2022, section 121A.335, is amended by adding a subdivision  
154.9 to read:

154.10 Subd. 6. **Remediation.** (a) A school district or charter school that finds lead above five  
154.11 parts per billion at a specific location providing cooking or drinking water within a facility  
154.12 must formulate, make publicly available, and implement a plan to remediate the lead in  
154.13 drinking water. The plan must be consistent with established guidelines and recommendations  
154.14 to ensure exposure to lead is remediated.

154.15 (b) When lead is found above five parts per billion the water fixture shall immediately  
154.16 be shut off or made unavailable for consumption until the hazard has been minimized as  
154.17 verified by a test.

154.18 (c) If the school district or charter school receives water from a public water supply that  
154.19 has an action level exceedance of the federal Lead and Copper Rule, it may delay remediation  
154.20 activities until the public water system meets state and federal requirements for the Lead  
154.21 and Copper Rule. If the school district or charter school receives water from a lead service  
154.22 line or other lead infrastructure owned by the public water supply, the school district may  
154.23 delay remediation of fixtures until the lead service line is fully replaced. The school must  
154.24 ensure that any fixture testing above five parts per billion is not used for consumption until  
154.25 remediation activities are complete.

154.26 Sec. 26. Minnesota Statutes 2022, section 144.05, is amended by adding a subdivision to  
154.27 read:

154.28 Subd. 8. **Grant program reporting.** The commissioner must submit a report to the  
154.29 chairs and ranking minority members of the legislative committees with jurisdiction over  
154.30 health by December 31, 2023, and by each December 31 thereafter on the following  
154.31 information:

- 155.1 (1) the number of grant programs administered by the commissioner that required a  
155.2 full-time equivalent staff appropriation or administrative appropriation in order to implement;
- 155.3 (2) the total amount of funds appropriated to the commissioner for full-time equivalent  
155.4 staff or administration for all the grant programs; and
- 155.5 (3) for each grant program administered by the commissioner:
- 155.6 (i) the amount of funds appropriated to the commissioner for full-time equivalent staff  
155.7 or administration to administer that particular grant program;
- 155.8 (ii) the actual amount of funds that were spent on full-time equivalent staff or  
155.9 administration to administer that particular grant program; and
- 155.10 (iii) if there were funds appropriated that were not spent on full-time equivalent staff or  
155.11 administration to administer that particular grant program, what the funds were actually  
155.12 spent on.

155.13 **Sec. 27. [144.0526] MINNESOTA ONE HEALTH ANTIMICROBIAL**  
155.14 **STEWARDSHIP COLLABORATIVE.**

155.15 Subdivision 1. **Establishment.** The commissioner of health shall establish the Minnesota  
155.16 One Health Antimicrobial Stewardship Collaborative. The commissioner shall appoint a  
155.17 director to execute operations, conduct health education, and provide technical assistance.

155.18 Subd. 2. **Commissioner's duties.** The commissioner of health shall oversee a program  
155.19 to:

155.20 (1) maintain the position of director of One Health Antimicrobial Stewardship to lead  
155.21 state antimicrobial stewardship initiatives across human, animal, and environmental health;

155.22 (2) communicate to professionals and the public the interconnectedness of human, animal,  
155.23 and environmental health, especially related to preserving the efficacy of antibiotic  
155.24 medications, which are a shared resource;

155.25 (3) leverage new and existing partnerships. The commissioner of health shall consult  
155.26 and collaborate with organizations and agencies in fields including but not limited to health  
155.27 care, veterinary medicine, animal agriculture, academic institutions, and industry and  
155.28 community organizations to inform strategies for education, practice improvement, and  
155.29 research in all settings where antimicrobials are used;

155.30 (4) ensure that veterinary settings have education and strategies needed to practice  
155.31 appropriate antibiotic prescribing, implement clinical antimicrobial stewardship programs,  
155.32 and prevent transmission of antimicrobial-resistant microbes; and

156.1 (5) support collaborative research and programmatic initiatives to improve the  
156.2 understanding of the impact of antimicrobial use and resistance in the natural environment.

156.3 Sec. 28. **[144.0701] SPECIAL GUERRILLA UNIT VETERANS GRANT PROGRAM.**

156.4 Subdivision 1. **Establishment.** The commissioner of health must establish a grant  
156.5 program to offer culturally specific and specialized assistance to support the health and  
156.6 well-being of special guerilla unit veterans.

156.7 Subd. 2. **Eligible applicants.** To be eligible for a grant under this section, applicants  
156.8 must be a nonprofit organization or a nongovernmental organization that offers culturally  
156.9 specific and specialized assistance to support the health and well-being of special guerilla  
156.10 unit veterans.

156.11 Subd. 3. **Application.** An organization seeking a grant under this section must apply to  
156.12 the commissioner at a time and in a manner specified by the commissioner.

156.13 Subd. 4. **Grant activities.** Grant funds must be used to offer programming and culturally  
156.14 specific and specialized assistance to support the health and well-being of special guerilla  
156.15 unit veterans.

156.16 Sec. 29. **[144.0752] CULTURAL COMMUNICATIONS.**

156.17 Subdivision 1. **Establishment.** The commissioner of health shall establish:

156.18 (1) a cultural communications program that advances culturally and linguistically  
156.19 appropriate communication services for communities most impacted by health disparities  
156.20 which includes limited English proficient (LEP) populations, African American, LGBTQ+,  
156.21 and people with disabilities; and

156.22 (2) a position that works with department leadership and division to ensure that the  
156.23 department follows the National Standards for Culturally and Linguistically Appropriate  
156.24 Services (CLAS) Standards.

156.25 Subd. 2. **Commissioner's duties.** The commissioner of health shall oversee a program  
156.26 to:

156.27 (1) align the department services, policies, procedures, and governance with the National  
156.28 CLAS Standards and establish culturally and linguistically appropriate goals, policies, and  
156.29 management accountability and apply them throughout the organization's planning and  
156.30 operations;

157.1 (2) ensure the department services respond to the cultural and linguistic diversity of  
157.2 Minnesotans and that the department partners with the community to design, implement,  
157.3 and evaluate policies, practices, and services that are aligned with the national cultural and  
157.4 linguistic appropriateness standard; and

157.5 (3) ensure the department leadership, workforce, and partners embed culturally and  
157.6 linguistically appropriate policies and practices into leadership and public health program  
157.7 planning, intervention, evaluation, and dissemination.

157.8 Subd. 3. **Eligible contractors.** Organizations eligible to receive contract funding under  
157.9 this section include:

157.10 (1) master contractors that are selected through the state to provide language and  
157.11 communication services; and

157.12 (2) organizations that are able to provide services for languages that master contracts  
157.13 are unable to cover.

157.14 **Sec. 30. [144.0754] OFFICE OF AFRICAN AMERICAN HEALTH; DUTIES.**

157.15 The commissioner shall establish the Office of African American Health to address the  
157.16 unique public health needs of African American Minnesotans and work to develop solutions  
157.17 and systems to address identified health disparities of African American Minnesotans arising  
157.18 from a context of cumulative and historical discrimination and disadvantages in multiple  
157.19 systems, including but not limited to housing, education, employment, gun violence,  
157.20 incarceration, environmental factors, and health care discrimination and shall:

157.21 (1) convene the African American Health State Advisory Council (AAHSAC) under  
157.22 section 144.0755 to advise the commissioner on issues and to develop specific, targeted  
157.23 policy solutions to improve the health of African American Minnesotans, with a focus on  
157.24 United States born African Americans;

157.25 (2) based upon input from and collaboration with the AAHSAC, health indicators, and  
157.26 identified disparities, conduct analysis and develop policy and program recommendations  
157.27 and solutions targeted at improving African American health outcomes;

157.28 (3) coordinate and conduct community engagement across multiple systems, sectors,  
157.29 and communities to address racial disparities in labor force participation, educational  
157.30 achievement, and involvement with the criminal justice system that impact African American  
157.31 health and well-being;

157.32 (4) conduct data analysis and research to support policy goals and solutions;

158.1 (5) award and administer African American health special emphasis grants to health and  
158.2 community-based organizations to plan and develop programs targeted at improving African  
158.3 American health outcomes, based upon needs identified by the council, health indicators,  
158.4 and identified disparities and addressing historical trauma and systems of United States  
158.5 born African American Minnesotans; and

158.6 (6) develop and administer Department of Health immersion experiences for students  
158.7 in secondary education and community colleges to improve diversity of the public health  
158.8 workforce and introduce career pathways that contribute to reducing health disparities.

158.9 Sec. 31. **[144.0755] AFRICAN AMERICAN HEALTH STATE ADVISORY**  
158.10 **COUNCIL.**

158.11 Subdivision 1. **Establishment; purpose.** The commissioner of health shall establish  
158.12 and administer the African American Health State Advisory Council to advise the  
158.13 commissioner on implementing specific strategies to reduce health inequities and disparities  
158.14 that particularly affect African Americans in Minnesota.

158.15 Subd. 2. **Members.** (a) The council shall include no fewer than 12 or more than 20  
158.16 members from any of the following groups:

158.17 (1) representatives of community-based organizations serving or advocating for African  
158.18 American citizens;

158.19 (2) at-large community leaders or elders, as nominated by other council members;

158.20 (3) African American individuals who provide and receive health care services;

158.21 (4) African American secondary or college students;

158.22 (5) health or human service professionals serving African American communities or  
158.23 clients;

158.24 (6) representatives with research or academic expertise in racial equity; and

158.25 (7) other members that the commissioner deems appropriate to facilitate the goals and  
158.26 duties of the council.

158.27 (b) The commissioner shall make recommendations for committee membership and,  
158.28 after considering recommendations from the council, shall appoint a chair or chairs of the  
158.29 committee. Committee members shall be appointed by the governor.

158.30 Subd. 3. **Terms.** A term shall be for two years and appointees may be reappointed to  
158.31 serve two additional terms. The commissioner shall recommend appointments to replace

159.1 members vacating their positions in a timely manner, no more than three months after the  
159.2 council reviews panel recommendations.

159.3 Subd. 4. **Duties of commissioner.** The commissioner or commissioner's designee shall:

159.4 (1) maintain and actively engage with the council established in this section;

159.5 (2) based on recommendations of the council, review identified department or other  
159.6 related policies or practices that maintain health inequities and disparities that particularly  
159.7 affect African Americans in Minnesota;

159.8 (3) in partnership with the council, recommend or implement action plans and resources  
159.9 necessary to address identified disparities and advance African American health equity;

159.10 (4) support interagency collaboration to advance African American health equity; and

159.11 (5) support member participation in the council, including participation in educational  
159.12 and community engagement events across Minnesota that specifically address African  
159.13 American health equity.

159.14 Subd. 5. **Duties of council.** The council shall:

159.15 (1) identify health disparities found in African American communities and contributing  
159.16 factors;

159.17 (2) recommend to the commissioner for review any statutes, rules, or administrative  
159.18 policies or practices that would address African American health disparities;

159.19 (3) recommend policies and strategies to the commissioner of health to address disparities  
159.20 specifically affecting African American health;

159.21 (4) form work groups of council members who are persons who provide and receive  
159.22 services and representatives of advocacy groups;

159.23 (5) provide the work groups with clear guidelines, standardized parameters, and tasks  
159.24 for the work groups to accomplish; and

159.25 (6) annually submit to the commissioner a report that summarizes the activities of the  
159.26 council, identifies disparities specially affecting the health of African American Minnesotans,  
159.27 and makes recommendations to address identified disparities.

159.28 Subd. 6. **Duties of council members.** The members of the council shall:

159.29 (1) attend scheduled meetings with no more than three absences per year, participate in  
159.30 scheduled meetings, and prepare for meetings by reviewing meeting notes;

159.31 (2) maintain open communication channels with respective constituencies;

160.1 (3) identify and communicate issues and risks that may impact the timely completion  
 160.2 of tasks;

160.3 (4) participate in any activities the council or commissioner deems appropriate and  
 160.4 necessary to facilitate the goals and duties of the council; and

160.5 (5) participate in work groups to carry out council duties.

160.6 **Subd. 7. Staffing; office space; equipment.** The commissioner shall provide the advisory  
 160.7 council with staff support, office space, and access to office equipment and services.

160.8 **Subd. 8. Reimbursement.** Compensation or reimbursement for travel and expenses, or  
 160.9 both, incurred for council activities is governed in accordance with section 15.059,  
 160.10 subdivision 3.

160.11 **Sec. 32. [144.0756] AFRICAN AMERICAN HEALTH SPECIAL EMPHASIS GRANT**  
 160.12 **PROGRAM.**

160.13 **Subdivision 1. Establishment.** The commissioner of health shall establish the African  
 160.14 American health special emphasis grant program administered by the Office of African  
 160.15 American Health. The purposes of the program are to:

160.16 (1) identify disparities impacting African American health arising from cumulative and  
 160.17 historical discrimination and disadvantages in multiple systems, including but not limited  
 160.18 to housing, education, employment, gun violence, incarceration, environmental factors, and  
 160.19 health care discrimination; and

160.20 (2) develop community-based solutions that incorporate a multisector approach to  
 160.21 addressing identified disparities impacting African American health.

160.22 **Subd. 2. Requests for proposals; accountability; data collection.** As directed by the  
 160.23 commissioner of health, the Office of African American Health shall:

160.24 (1) develop a request for proposals for an African American health special emphasis  
 160.25 grant program in consultation with community stakeholders;

160.26 (2) provide outreach, technical assistance, and program development guidance to potential  
 160.27 qualifying organizations or entities;

160.28 (3) review responses to requests for proposals in consultation with community  
 160.29 stakeholders and award grants under this section;

160.30 (4) establish a transparent and objective accountability process in consultation with  
 160.31 community stakeholders, focused on outcomes that grantees agree to achieve;



161.1 (5) provide grantees with access to summary and other public data to assist grantees in  
161.2 establishing and implementing effective community-led solutions; and

161.3 (6) collect and maintain data on outcomes reported by grantees.

161.4 Subd. 3. **Eligible grantees.** Organizations eligible to receive grant funding under this  
161.5 section include nonprofit organizations or entities that work with African American  
161.6 communities or are focused on addressing disparities impacting the health of African  
161.7 American communities.

161.8 Subd. 4. **Strategic consideration and priority of proposals; grant awards.** In  
161.9 developing the requests for proposals and awarding the grants, the commissioner and the  
161.10 Office of African American Health shall consider building upon the existing capacity of  
161.11 communities and on developing capacity where it is lacking. Proposals shall focus on  
161.12 addressing health equity issues specific to United States born African American communities;  
161.13 addressing the health impact of historical trauma; and reducing health disparities experienced  
161.14 by United States born African American communities; and incorporating a multisector  
161.15 approach to addressing identified disparities.

161.16 Subd. 5. **Report.** Grantees must report grant program outcomes to the commissioner on  
161.17 the forms and according to timelines established by the commissioner.

161.18 Sec. 33. **[144.0757] OFFICE OF AMERICAN INDIAN HEALTH.**

161.19 Subdivision 1. **Duties.** The Office of American Indian Health is established to address  
161.20 unique public health needs of American Indian Tribal communities in Minnesota, and shall:

161.21 (1) coordinate with Minnesota's Tribal Nations and urban American Indian  
161.22 community-based organizations to identify underlying causes of health disparities, address  
161.23 unique health needs of Minnesota's Tribal communities, and develop public health approaches  
161.24 to achieve health equity;

161.25 (2) strengthen capacity of American Indian and community-based organizations and  
161.26 Tribal Nations to address identified health disparities and needs;

161.27 (3) administer state and federal grant funding opportunities targeted to improve the  
161.28 health of American Indians;

161.29 (4) provide overall leadership for targeted development of holistic health and wellness  
161.30 strategies to improve health and to support Tribal and urban American Indian public health  
161.31 leadership and self-sufficiency;

162.1 (5) provide technical assistance to Tribal and American Indian urban community leaders  
 162.2 to develop culturally appropriate activities to address public health emergencies;

162.3 (6) develop and administer the department immersion experiences for American Indian  
 162.4 students in secondary education and community colleges to improve diversity of the public  
 162.5 health workforce and introduce career pathways that contribute to reducing health disparities;  
 162.6 and

162.7 (7) identify and promote workforce development strategies for Department of Health  
 162.8 staff to work with the American Indian population and Tribal Nations more effectively in  
 162.9 Minnesota.

162.10 Subd. 2. **Grants and contracts.** To carry out these duties, the office may contract with  
 162.11 or provide grants to qualifying entities.

162.12 Sec. 34. **[144.0758] AMERICAN INDIAN SPECIAL EMPHASIS GRANTS.**

162.13 Subdivision 1. **Establishment.** The commissioner of health shall establish the American  
 162.14 Indian health special emphasis grant program. The purposes of the program are to:

162.15 (1) plan and develop programs targeted to address continuing and persistent health  
 162.16 disparities of Minnesota's American Indian population and improve American Indian health  
 162.17 outcomes based upon needs identified by health indicators and identified disparities;

162.18 (2) identify disparities in American Indian health arising from cumulative and historical  
 162.19 discrimination; and

162.20 (3) plan and develop community-based solutions with a multisector approach to  
 162.21 addressing identified disparities in American Indian health.

162.22 Subd. 2. **Commissioner's duties.** The commissioner of health shall:

162.23 (1) develop a request for proposals for an American Indian special emphasis grant  
 162.24 program in consultation with Minnesota's Tribal Nations and urban American Indian  
 162.25 community-based organizations based upon needs identified by the community, health  
 162.26 indicators, and identified disparities;

162.27 (2) provide outreach, technical assistance, and program development guidance to potential  
 162.28 qualifying organizations or entities;

162.29 (3) review responses to requests for proposals in consultation with community  
 162.30 stakeholders and award grants under this section;

163.1 (4) establish a transparent and objective accountability process in consultation with  
163.2 community stakeholders focused on outcomes that grantees agree to achieve;

163.3 (5) provide grantees with access to data to assist grantees in establishing and  
163.4 implementing effective community-led solutions; and

163.5 (6) collect and maintain data on outcomes reported by grantees.

163.6 Subd. 3. **Eligible grantees.** Organizations eligible to receive grant funding under this  
163.7 section are Minnesota's Tribal Nations and urban American Indian community-based  
163.8 organizations.

163.9 Subd. 4. **Strategic consideration and priority of proposals; grant awards.** In  
163.10 developing the proposals and awarding the grants, the commissioner shall consider building  
163.11 upon the existing capacity of Minnesota's Tribal Nations and urban American Indian  
163.12 community-based organizations and on developing capacity where it is lacking. Proposals  
163.13 should focus on addressing health equity issues specific to Tribal and urban American Indian  
163.14 communities; addressing the health impact of historical trauma; reducing health disparities  
163.15 experienced by American Indian communities; and incorporating a multisector approach  
163.16 to addressing identified disparities.

163.17 Subd. 5. **Report.** Grantees must report grant program outcomes to the commissioner on  
163.18 the forms and according to the timelines established by the commissioner.

163.19 **Sec. 35. [144.0759] PUBLIC HEALTH AMERICORPS.**

163.20 The commissioner may award a grant to a statewide, nonprofit organization to support  
163.21 Public Health AmeriCorps members. The organization awarded the grant shall provide the  
163.22 commissioner with any information needed by the commissioner to evaluate the program  
163.23 in the form and at the timelines specified by the commissioner.

163.24 **Sec. 36. Minnesota Statutes 2022, section 144.122, is amended to read:**

163.25 **144.122 LICENSE, PERMIT, AND SURVEY FEES.**

163.26 (a) The state commissioner of health, by rule, may prescribe procedures and fees for  
163.27 filing with the commissioner as prescribed by statute and for the issuance of original and  
163.28 renewal permits, licenses, registrations, and certifications issued under authority of the  
163.29 commissioner. The expiration dates of the various licenses, permits, registrations, and  
163.30 certifications as prescribed by the rules shall be plainly marked thereon. Fees may include  
163.31 application and examination fees and a penalty fee for renewal applications submitted after  
163.32 the expiration date of the previously issued permit, license, registration, and certification.

164.1 The commissioner may also prescribe, by rule, reduced fees for permits, licenses,  
 164.2 registrations, and certifications when the application therefor is submitted during the last  
 164.3 three months of the permit, license, registration, or certification period. Fees proposed to  
 164.4 be prescribed in the rules shall be first approved by the Department of Management and  
 164.5 Budget. All fees proposed to be prescribed in rules shall be reasonable. The fees shall be  
 164.6 in an amount so that the total fees collected by the commissioner will, where practical,  
 164.7 approximate the cost to the commissioner in administering the program. All fees collected  
 164.8 shall be deposited in the state treasury and credited to the state government special revenue  
 164.9 fund unless otherwise specifically appropriated by law for specific purposes.

164.10 (b) The commissioner may charge a fee for voluntary certification of medical laboratories  
 164.11 and environmental laboratories, and for environmental and medical laboratory services  
 164.12 provided by the department, without complying with paragraph (a) or chapter 14. Fees  
 164.13 charged for environment and medical laboratory services provided by the department must  
 164.14 be approximately equal to the costs of providing the services.

164.15 (c) The commissioner may develop a schedule of fees for diagnostic evaluations  
 164.16 conducted at clinics held by the services for children with disabilities program. All receipts  
 164.17 generated by the program are annually appropriated to the commissioner for use in the  
 164.18 maternal and child health program.

164.19 (d) The commissioner shall set license fees for hospitals and nursing homes that are not  
 164.20 boarding care homes at the following levels:

164.21	Joint Commission on Accreditation of	\$7,655 plus \$16 per bed
164.22	Healthcare Organizations (JCAHO) and	
164.23	American Osteopathic Association (AOA)	
164.24	hospitals	
164.25	Non-JCAHO and non-AOA hospitals	\$5,280 plus \$250 per bed
164.26	Nursing home	\$183 plus \$91 per bed until June 30, 2018.
164.27		\$183 plus \$100 per bed between July 1, 2018,
164.28		and June 30, 2020. \$183 plus \$105 per bed
164.29		beginning July 1, 2020.

164.30 The commissioner shall set license fees for outpatient surgical centers, boarding care  
 164.31 homes, supervised living facilities, assisted living facilities, and assisted living facilities  
 164.32 with dementia care at the following levels:

164.33	Outpatient surgical centers	\$3,712
164.34	Boarding care homes	\$183 plus \$91 per bed
164.35	Supervised living facilities	\$183 plus \$91 per bed.
164.36	Assisted living facilities with dementia care	\$3,000 plus \$100 per resident.
164.37	Assisted living facilities	\$2,000 plus \$75 per resident.

165.1 Fees collected under this paragraph are nonrefundable. The fees are nonrefundable even if  
 165.2 received before July 1, 2017, for licenses or registrations being issued effective July 1, 2017,  
 165.3 or later.

165.4 (e) Unless prohibited by federal law, the commissioner of health shall charge applicants  
 165.5 the following fees to cover the cost of any initial certification surveys required to determine  
 165.6 a provider's eligibility to participate in the Medicare or Medicaid program:

165.7	Prospective payment surveys for hospitals	\$	900
165.8	Swing bed surveys for nursing homes	\$	1,200
165.9	Psychiatric hospitals	\$	1,400
165.10	Rural health facilities	\$	1,100
165.11	Portable x-ray providers	\$	500
165.12	Home health agencies	\$	1,800
165.13	Outpatient therapy agencies	\$	800
165.14	End stage renal dialysis providers	\$	2,100
165.15	Independent therapists	\$	800
165.16	Comprehensive rehabilitation outpatient facilities	\$	1,200
165.17	Hospice providers	\$	1,700
165.18	Ambulatory surgical providers	\$	1,800
165.19	Hospitals	\$	4,200
165.20	Other provider categories or additional		Actual surveyor costs: average
165.21	resurveys required to complete initial		surveyor cost x number of hours for
165.22	certification		the survey process.

165.23 These fees shall be submitted at the time of the application for federal certification and  
 165.24 shall not be refunded. All fees collected after the date that the imposition of fees is not  
 165.25 prohibited by federal law shall be deposited in the state treasury and credited to the state  
 165.26 government special revenue fund.

165.27 (f) Notwithstanding section 16A.1283, the commissioner may adjust the fees assessed  
 165.28 on assisted living facilities and assisted living facilities with dementia care under paragraph  
 165.29 (d), in a revenue-neutral manner in accordance with the requirements of this paragraph:

165.30 (1) a facility seeking to renew a license shall pay a renewal fee in an amount that is up  
 165.31 to ten percent lower than the applicable fee in paragraph (d) if residents who receive home  
 165.32 and community-based waiver services under chapter 256S and section 256B.49 comprise  
 165.33 more than 50 percent of the facility's capacity in the calendar year prior to the year in which  
 165.34 the renewal application is submitted; and

166.1 (2) a facility seeking to renew a license shall pay a renewal fee in an amount that is up  
166.2 to ten percent higher than the applicable fee in paragraph (d) if residents who receive home  
166.3 and community-based waiver services under chapter 256S and section 256B.49 comprise  
166.4 less than 50 percent of the facility's capacity during the calendar year prior to the year in  
166.5 which the renewal application is submitted.

166.6 The commissioner may annually adjust the percentages in clauses (1) and (2), to ensure this  
166.7 paragraph is implemented in a revenue-neutral manner. The commissioner shall develop a  
166.8 method for determining capacity thresholds in this paragraph in consultation with the  
166.9 commissioner of human services and must coordinate the administration of this paragraph  
166.10 with the commissioner of human services for purposes of verification.

166.11 (g) The commissioner shall charge hospitals an annual licensing base fee of \$1,826 per  
166.12 hospital, plus an additional \$23 per licensed bed or bassinet fee. Revenue shall be deposited  
166.13 to the state government special revenue fund and credited toward trauma hospital designations  
166.14 under sections 144.605 and 144.6071.

166.15 Sec. 37. **[144.1462] COMMUNITY HEALTH WORKERS; GRANTS AUTHORIZED.**

166.16 Subdivision 1. **Establishment.** The commissioner of health shall support collaboration  
166.17 and coordination between state and community partners to develop, refine, and expand the  
166.18 community health workers (CHW) profession in Minnesota; equipping community health  
166.19 workers to address health needs; and to improve health outcomes. This work addresses the  
166.20 social conditions that impact community health and well-being in public safety, social  
166.21 services, youth and family services, schools, and neighborhood associations.

166.22 Subd. 2. **Grants and contracts authorized; eligibility.** The commissioner of health  
166.23 shall establish grants and contracts to expand and strengthen the community health worker  
166.24 workforce across Minnesota. The recipients shall include at least one not-for-profit  
166.25 community organization serving, convening, and supporting community health workers  
166.26 statewide.

166.27 Subd. 3. **Evaluation.** The commissioner of health shall design, conduct, and evaluate  
166.28 the CHW initiative using measures such as workforce capacity, employment opportunity,  
166.29 reach of services, and return on investment, as well as descriptive measures of the existing  
166.30 community health worker models as they compare with the national community health  
166.31 workers' landscape. These initial measures point to longer-term change in social determinants  
166.32 of health and rates of death and injury by suicide, overdose, firearms, alcohol, and chronic  
166.33 disease.

167.1 Subd. 4. **Report.** Grant recipients and contractors must report program outcomes to the  
167.2 department annually and by the guidelines established by the commissioner.

167.3 Sec. 38. Minnesota Statutes 2022, section 144.218, subdivision 1, is amended to read:

167.4 Subdivision 1. **Adoption.** Upon receipt of a certified copy of an order, decree, or  
167.5 certificate of adoption, the state registrar shall register a replacement vital record in the new  
167.6 name of the adopted person. The original record of birth is ~~confidential~~ private data pursuant  
167.7 to section 13.02, subdivision 3 12, and shall not be disclosed except pursuant to court order  
167.8 or section 144.2252. The information contained on the original birth record, except for the  
167.9 registration number, shall be provided on request to a parent who is named on the original  
167.10 birth record. Upon the receipt of a certified copy of a court order of annulment of adoption  
167.11 the state registrar shall restore the original vital record to its original place in the file.

167.12 **EFFECTIVE DATE.** This section is effective July 1, 2024.

167.13 Sec. 39. Minnesota Statutes 2022, section 144.218, subdivision 2, is amended to read:

167.14 Subd. 2. **Adoption of foreign persons.** In proceedings for the adoption of a person who  
167.15 was born in a foreign country, the court, upon evidence presented by the commissioner of  
167.16 human services from information secured at the port of entry or upon evidence from other  
167.17 reliable sources, may make findings of fact as to the date and place of birth and parentage.  
167.18 Upon receipt of certified copies of the court findings and the order or decree of adoption,  
167.19 a certificate of adoption, or a certified copy of a decree issued under section 259.60, the  
167.20 state registrar shall register a birth record in the new name of the adopted person. The  
167.21 certified copies of the court findings and the order or decree of adoption, certificate of  
167.22 adoption, or decree issued under section 259.60 are ~~confidential~~ private data, pursuant to  
167.23 section 13.02, subdivision 3 12, and shall not be disclosed except pursuant to court order  
167.24 or section 144.2252. The birth record shall state the place of birth as specifically as possible  
167.25 and that the vital record is not evidence of United States citizenship.

167.26 **EFFECTIVE DATE.** This section is effective July 1, 2024.

167.27 Sec. 40. Minnesota Statutes 2022, section 144.225, subdivision 2, is amended to read:

167.28 Subd. 2. **Data about births.** (a) Except as otherwise provided in this subdivision, data  
167.29 pertaining to the birth of a child to a woman who was not married to the child's father when  
167.30 the child was conceived nor when the child was born, including the original record of birth  
167.31 and the certified vital record, are confidential data. At the time of the birth of a child to a  
167.32 woman who was not married to the child's father when the child was conceived nor when

168.1 the child was born, the mother may designate demographic data pertaining to the birth as  
168.2 public. Notwithstanding the designation of the data as confidential, it may be disclosed:

168.3 (1) to a parent or guardian of the child;

168.4 (2) to the child when the child is 16 years of age or older, except as provided in clause

168.5 (3);

168.6 (3) to the child if the child is a homeless youth;

168.7 (4) under paragraph (b), (e), or (f); or

168.8 (5) pursuant to a court order. For purposes of this section, a subpoena does not constitute  
168.9 a court order.

168.10 (b) ~~Unless the child is adopted,~~ Data pertaining to the birth of a child that are not  
168.11 accessible to the public become public data if 100 years have elapsed since the birth of the  
168.12 child who is the subject of the data, or as provided under section 13.10, whichever occurs  
168.13 first.

168.14 (c) If a child is adopted, data pertaining to the child's birth are governed by the provisions  
168.15 relating to adoption and birth records, including sections 13.10, subdivision 5; 144.218,  
168.16 subdivision 1; and 144.2252; ~~and 259.89.~~

168.17 (d) The name and address of a mother under paragraph (a) and the child's date of birth  
168.18 may be disclosed to the county social services, Tribal health department, or public health  
168.19 member of a family services collaborative for purposes of providing services under section  
168.20 124D.23.

168.21 (e) The commissioner of human services shall have access to birth records for:

168.22 (1) the purposes of administering medical assistance and the MinnesotaCare program;

168.23 (2) child support enforcement purposes; and

168.24 (3) other public health purposes as determined by the commissioner of health.

168.25 (f) Tribal child support programs shall have access to birth records for child support  
168.26 enforcement purposes.

168.27 **EFFECTIVE DATE.** This section is effective July 1, 2024.



169.1 Sec. 41. Minnesota Statutes 2022, section 144.2252, is amended to read:

169.2 **144.2252 ACCESS TO ORIGINAL BIRTH RECORD AFTER ADOPTION.**

169.3 Subdivision 1. **Definitions.** (a) ~~Whenever an adopted person requests the state registrar~~  
169.4 ~~to disclose the information on the adopted person's original birth record, the state registrar~~  
169.5 ~~shall act according to section 259.89. For purposes of this section, the following terms have~~  
169.6 ~~the meanings given.~~

169.7 (b) "Person related to the adopted person" means:

169.8 (1) the spouse, child, or grandchild of an adopted person, if the spouse, child, or  
169.9 grandchild is at least 18 years of age; or

169.10 (2) the legal representative of an adopted person.

169.11 The definition under this paragraph only applies when the adopted person is deceased.

169.12 (c) "Original birth record" means a copy of the original birth record for a person who is  
169.13 born in Minnesota and whose original birth record was sealed and replaced by a replacement  
169.14 birth record after the state registrar received a certified copy of an order, decree, or certificate  
169.15 of adoption.

169.16 Subd. 2. **Release of original birth record.** (a) The state registrar must provide to an  
169.17 adopted person who is 18 years of age or older or a person related to the adopted person a  
169.18 copy of the adopted person's original birth record and any evidence of the adoption previously  
169.19 filed with the state registrar. To receive a copy of an original birth record under this  
169.20 subdivision, the adopted person or person related to the adopted person must make the  
169.21 request to the state registrar in writing. The copy of the original birth record must clearly  
169.22 indicate that it may not be used for identification purposes. All procedures, fees, and waiting  
169.23 periods applicable to a nonadopted person's request for a copy of a birth record apply in the  
169.24 same manner as requests made under this section.

169.25 (b) If a contact preference form is attached to the original birth record as authorized  
169.26 under section 144.2253, the state registrar must provide a copy of the contact preference  
169.27 form along with the copy of the adopted person's original birth record.

169.28 ~~(b)~~ (c) The state registrar shall provide a transcript of an adopted person's original birth  
169.29 record to an authorized representative of a federally recognized American Indian Tribe for  
169.30 the sole purpose of determining the adopted person's eligibility for enrollment or membership.  
169.31 Information contained in the birth record may not be used to provide the adopted person  
169.32 information about the person's birth parents, except as provided in this section or section  
169.33 259.83.

170.1 (d) For a replacement birth record issued under section 144.218, the adopted person or  
170.2 a person related to the adopted person may obtain from the state registrar copies of the order  
170.3 or decree of adoption, certificate of adoption, or decree issued under section 259.60, as filed  
170.4 with the state registrar.

170.5 Subd. 3. **Adult adoptions.** Notwithstanding section 144.218, a person adopted as an  
170.6 adult may access the person's birth records that existed before the person's adult adoption.  
170.7 Access to the existing birth records shall be the same access that was permitted prior to the  
170.8 adult adoption.

170.9 **EFFECTIVE DATE.** This section is effective July 1, 2024.

170.10 Sec. 42. **[144.2253] BIRTH PARENT CONTACT PREFERENCE FORM.**

170.11 (a) The commissioner must make available to the public a contact preference form as  
170.12 described in paragraph (b).

170.13 (b) The contact preference form must provide the following information to be completed  
170.14 at the option of a birth parent:

170.15 (1) "I would like to be contacted."

170.16 (2) "I would prefer to be contacted only through an intermediary."

170.17 (3) "I prefer not to be contacted at this time. If I decide later that I would like to be  
170.18 contacted, I will submit an updated contact preference form to the Minnesota Department  
170.19 of Health."

170.20 (c) If a birth parent of an adopted person submits a completed contact preference form  
170.21 to the commissioner, the commissioner must:

170.22 (1) match the contact preference form to the adopted person's original birth record; and

170.23 (2) attach the contact preference form to the original birth record as required under  
170.24 section 144.2252.

170.25 (d) A contact preference form submitted to the commissioner under this section is private  
170.26 data on an individual as defined in section 13.02, subdivision 12, except that the contact  
170.27 preference form may be released as provided under section 144.2252, subdivision 2.

170.28 **EFFECTIVE DATE.** This section is effective August 1, 2023.

171.1 Sec. 43. [144.2254] PREVIOUSLY FILED CONSENTS TO DISCLOSURE AND  
171.2 AFFIDAVITS OF NONDISCLOSURE.

171.3 (a) The commissioner must inform a person applying for an original birth record under  
171.4 section 144.2252 of the existence of an unrevoked consent to disclosure or an affidavit of  
171.5 nondisclosure on file with the department, including the name of the birth parent who filed  
171.6 the consent or affidavit. If a birth parent authorized the release of the birth parent's address  
171.7 on an unrevoked consent to disclosure, the commissioner shall provide the address to the  
171.8 person who requests the original birth record.

171.9 (b) A birth parent's consent to disclosure or affidavit of nondisclosure filed with the  
171.10 commissioner of health expires and has no force or effect beginning on June 30, 2024.

171.11 **EFFECTIVE DATE.** This section is effective July 1, 2024.

171.12 Sec. 44. Minnesota Statutes 2022, section 144.226, subdivision 3, is amended to read:

171.13 Subd. 3. **Birth record surcharge.** (a) In addition to any fee prescribed under subdivision  
171.14 1, there shall be a nonrefundable surcharge of \$3 for each certified birth or stillbirth record  
171.15 and for a certification that the vital record cannot be found. The state registrar or local  
171.16 issuance office shall forward this amount to the commissioner of management and budget  
171.17 each month following the collection of the surcharge for deposit into the account for the  
171.18 children's trust fund for the prevention of child abuse established under section 256E.22.  
171.19 This surcharge shall not be charged under those circumstances in which no fee for a certified  
171.20 birth or stillbirth record is permitted under subdivision 1, paragraph (b). Upon certification  
171.21 by the commissioner of management and budget that the assets in that fund exceed  
171.22 \$20,000,000, this surcharge shall be discontinued.

171.23 (b) In addition to any fee prescribed under subdivision 1, there shall be a nonrefundable  
171.24 surcharge of \$10 for each certified birth record. The state registrar or local issuance office  
171.25 shall forward this amount to the commissioner of management and budget each month  
171.26 following the collection of the surcharge for deposit in the general fund.

171.27 Sec. 45. Minnesota Statutes 2022, section 144.226, subdivision 4, is amended to read:

171.28 Subd. 4. **Vital records surcharge.** In addition to any fee prescribed under subdivision  
171.29 1, there is a nonrefundable surcharge of \$4 for each certified and noncertified birth, stillbirth,  
171.30 or death record, and for a certification that the record cannot be found. The local issuance  
171.31 office or state registrar shall forward this amount to the commissioner of management and

172.1 budget each month following the collection of the surcharge to be deposited into the state  
172.2 government special revenue fund.

172.3 Sec. 46. **[144.3832] PUBLIC WATER SYSTEM INFRASTRUCTURE**  
172.4 **STRENGTHENING GRANTS.**

172.5 Subdivision 1. **Establishment; purpose.** The commissioner of health shall establish a  
172.6 grant program to ensure the uninterrupted delivery of safe water through emergency power  
172.7 supplies and back-up wells, backflow prevention, water reuse, increased cybersecurity,  
172.8 floodplain mapping, support for very small water system infrastructure, and piloting solar  
172.9 farms in source water protection areas.

172.10 Subd. 2. **Grants authorized.** (a) The commissioner shall award grants for emergency  
172.11 power supplies, back-up wells, and cross connection prevention programs through a request  
172.12 for proposals process to public water systems. Priority shall be given to small and very small  
172.13 public water systems that serve populations of less than 3,300 and 500 respectively. The  
172.14 commissioner shall award matching grants to public water systems that serve populations  
172.15 of less than 500 for infrastructure improvements supporting system operations and resiliency.

172.16 (b) Grantees must address one or more areas of infrastructure strengthening with the  
172.17 goals of:

172.18 (1) ensuring the uninterrupted delivery of safe and affordable water to their customers;

172.19 (2) anticipating and mitigating potential threats arising from climate change such as  
172.20 flooding and drought;

172.21 (3) providing resiliency to maintain drinking water supply capacity in case of a loss of  
172.22 power;

172.23 (4) providing redundancy by having more than one source of water in case the main  
172.24 source of water fails; or

172.25 (5) preventing contamination by cross connections through a self-sustaining cross  
172.26 connection control program.

172.27 Sec. 47. **[144.3885] LABOR TRAFFICKING SERVICES GRANT PROGRAM.**

172.28 Subdivision 1. **Establishment.** The commissioner of health must establish a labor  
172.29 trafficking services grant program to provide comprehensive, trauma-informed, and culturally  
172.30 specific services for victims of labor trafficking or labor exploitation.

173.1 Subd. 2. **Eligibility; application.** To be eligible for a grant under this section, applicants  
173.2 must be a nonprofit organization or a nongovernmental organization serving victims of  
173.3 labor trafficking or labor exploitation. An organization seeking a grant under this section  
173.4 must apply to the commissioner at a time and in a manner specified by the commissioner.  
173.5 The commissioner must review each application to determine if the application is complete,  
173.6 the organization is eligible for a grant, and the proposed project is an allowable use of grant  
173.7 funds. The commissioner must determine the grant amount awarded to applicants that the  
173.8 commissioner determines will receive a grant.

173.9 Subd. 3. **Reporting.** (a) The grantee must submit a report to the commissioner in a  
173.10 manner and on a timeline specified by the commissioner on how the grant funds were spent  
173.11 and how many individuals were served.

173.12 (b) By January 15 of each year, the commissioner must submit a report to the chairs and  
173.13 ranking minority members of the legislative committees with jurisdiction over health policy  
173.14 and finance. The report must include the names of the grant recipients, how the grant funds  
173.15 were spent, and how many individuals were served.

173.16 Sec. 48. **[144.398] TOBACCO USE PREVENTION ACCOUNT; ESTABLISHMENT**  
173.17 **AND USES.**

173.18 Subdivision 1. **Definitions.** (a) As used in this section, the terms in this subdivision have  
173.19 the meanings given.

173.20 (b) "Electronic delivery device" has the meaning given in section 609.685, subdivision  
173.21 1, paragraph (c).

173.22 (c) "Tobacco" has the meaning given in section 609.685, subdivision 1, paragraph (a).

173.23 (d) "Tobacco-related devices" has the meaning given in section 609.685, subdivision 1,  
173.24 paragraph (b).

173.25 (e) "Nicotine delivery product" has the meaning given in section 609.6855, subdivision  
173.26 1, paragraph (c).

173.27 Subd. 2. **Account created.** A tobacco use prevention account is created in the special  
173.28 revenue fund. Pursuant to section 16A.151, subdivision 2, paragraph (h), the commissioner  
173.29 of management and budget shall deposit into the account any money received by the state  
173.30 resulting from a settlement agreement or an assurance of discontinuance entered into by the  
173.31 attorney general of the state, or a court order in litigation brought by the attorney general  
173.32 of the state on behalf of the state or a state agency related to alleged violations of consumer  
173.33 fraud laws in the marketing, sale, or distribution of electronic nicotine delivery systems in

174.1 this state or other alleged illegal actions that contributed to the exacerbation of youth nicotine  
174.2 use.

174.3 Subd. 3. **Appropriations from tobacco use prevention account.** (a) Each fiscal year,  
174.4 the amount of money in the tobacco use prevention account is appropriated to the  
174.5 commissioner of health for:

174.6 (1) tobacco and electronic delivery device use prevention and cessation projects consistent  
174.7 with the duties specified in section 144.392;

174.8 (2) a public information program under section 144.393;

174.9 (3) the development of health promotion and health education materials about tobacco  
174.10 and electronic delivery device use prevention and cessation;

174.11 (4) tobacco and electronic delivery device use prevention activities under section 144.396;  
174.12 and

174.13 (5) statewide tobacco cessation services under section 144.397.

174.14 (b) In activities funded under this subdivision, the commissioner of health must:

174.15 (1) prioritize preventing persons under the age of 21 from using commercial tobacco,  
174.16 electronic delivery devices, tobacco-related devices, and nicotine delivery products;

174.17 (2) promote racial and health equity; and

174.18 (3) use strategies that are evidence-based or based on promising practices.

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

174.20 Sec. 49. **[144.4962] LOCAL AND TRIBAL PUBLIC HEALTH EMERGENCY**  
174.21 **PREPAREDNESS AND RESPONSE GRANT PROGRAM.**

174.22 Subdivision 1. **Establishment.** The commissioner of health must establish a local and  
174.23 Tribal public health emergency preparedness and response grant program.

174.24 Subd. 2. **Eligibility; application.** (a) Local and Tribal public health organizations are  
174.25 eligible to receive grants as provided in this section. Grant proceeds must align with the  
174.26 Centers for Disease Control and Prevention's issued report: Public Health Emergency  
174.27 Preparedness and Response Capabilities: National Standards for State, Local, Tribal, and  
174.28 Territorial Public Health.

174.29 (b) A local or Tribal public health organization seeking a grant under this section must  
174.30 apply to the commissioner at a time and in a manner specified by the commissioner. The  
174.31 commissioner must review each application to determine if the application is complete, the

175.1 organization is eligible for a grant, and the proposed project is an allowable use of grant  
175.2 funds. The commissioner must determine the grant amount awarded to applicants that the  
175.3 commissioner determines will receive a grant.

175.4 Subd. 3. **Reporting.** (a) The grantee must submit a report to the commissioner in a  
175.5 manner and on a timeline specified by the commissioner on how the grant funds were spent  
175.6 and how many individuals were served.

175.7 (b) By January 15 of each year, the commissioner must submit a report to the chairs and  
175.8 ranking minority members of the legislative committees with jurisdiction over health policy  
175.9 and finance. The report must include the names of the grant recipients, how the grant funds  
175.10 were spent, and how many individuals were served.

175.11 Sec. 50. **[144.557] REQUIREMENTS FOR CERTAIN HEALTH CARE ENTITY**  
175.12 **TRANSACTIONS.**

175.13 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
175.14 the meaning given.

175.15 (b) "Captive professional entity" means a professional corporation, limited liability  
175.16 company, or other entity formed to render professional services in which a beneficial owner  
175.17 is a health care provider employed by, controlled by, or subject to the direction of a hospital  
175.18 or hospital system.

175.19 (c) "Commissioner" means the commissioner of health.

175.20 (d) "Control," including the terms "controlling," "controlled by," and "under common  
175.21 control with," means the possession, direct or indirect, of the power to direct or cause the  
175.22 direction of the management and policies of a person, whether through the ownership of  
175.23 voting securities, membership in an entity formed under chapter 317A, by contract other  
175.24 than a commercial contract for goods or nonmanagement services, or otherwise, unless the  
175.25 power is the result of an official position with, corporate office held by, or court appointment  
175.26 of, the person. Control is presumed to exist if any person, directly or indirectly, owns,  
175.27 controls, holds with the power to vote, or holds proxies representing, 40 percent or more of  
175.28 the voting securities of any other person, or if any person, directly or indirectly, constitutes  
175.29 40 percent or more of the membership of an entity formed under chapter 317A. The  
175.30 commissioner may determine, after furnishing all persons in interest notice and opportunity  
175.31 to be heard and making specific findings of fact to support such determination, that control  
175.32 exists in fact, notwithstanding the absence of a presumption to that effect.

175.33 (e) "Health care entity" means:

- 176.1 (1) a hospital;
- 176.2 (2) a hospital system;
- 176.3 (3) a captive professional entity;
- 176.4 (4) a medical foundation;
- 176.5 (5) a health care provider group practice;
- 176.6 (6) an entity organized or controlled by an entity listed in clauses (1) to (5); or
- 176.7 (7) an entity that owns or exercises control over an entity listed in clauses (1) to (5).
- 176.8 (f) "Health care provider" means a physician licensed under chapter 147, a physician
- 176.9 assistant licensed under chapter 147A, or an advanced practice registered nurse as defined
- 176.10 in section 148.171, subdivision 3, who provides health care services, including but not
- 176.11 limited to medical care, consultation, diagnosis, or treatment.
- 176.12 (g) "Health care provider group practice" means two or more health care providers legally
- 176.13 organized in a partnership, professional corporation, limited liability company, medical
- 176.14 foundation, nonprofit corporation, faculty practice plan, or other similar entity:
- 176.15 (1) in which each health care provider who is a member of the group provides
- 176.16 substantially the full range of services that a health care provider routinely provides, including
- 176.17 but not limited to medical care, consultation, diagnosis, and treatment, through the joint use
- 176.18 of shared office space, facilities, equipment, or personnel;
- 176.19 (2) for which substantially all services of the health care providers who are group
- 176.20 members are provided through the group and are billed in the name of the group practice
- 176.21 and amounts so received are treated as receipts of the group; or
- 176.22 (3) in which the overhead expenses of, and the income from, the group are distributed
- 176.23 in accordance with methods previously determined by members of the group.
- 176.24 An entity that otherwise meets the definition of health care provider group practice in this
- 176.25 paragraph shall be considered a health care provider group practice even if its shareholders,
- 176.26 partners, members, or owners include a single-health care provider professional corporation,
- 176.27 limited liability company, or another entity in which any beneficial owner is an individual
- 176.28 health care provider and which is formed to render professional services.
- 176.29 (h) "Hospital" means a health care facility licensed as a hospital under sections 144.50
- 176.30 to 144.56.



177.1 (i) "Medical foundation" means a nonprofit legal entity through which physicians or  
177.2 other health care providers perform research or provide medical services.

177.3 (j) "Transaction" means a single action, or a series of actions within a five-year period,  
177.4 that constitutes:

177.5 (1) a merger or exchange of a health care entity with another entity;

177.6 (2) the sale, lease, or transfer of 40 percent or more of the assets of a health care entity  
177.7 to another entity;

177.8 (3) the granting of a security interest of 40 percent or more of the property and assets  
177.9 of a health care entity to another entity;

177.10 (4) the transfer of 40 percent or more of the shares or other ownership of the health care  
177.11 entity to another entity;

177.12 (5) an addition, removal, withdrawal, substitution, or other modification of one or more  
177.13 members of the health care entity's governing body that transfers control, responsibility for,  
177.14 or governance of the health care entity to another entity;

177.15 (6) the creation of a new health care entity;

177.16 (7) substantial investment of 40 percent or more in a health care entity that results in  
177.17 sharing of revenues without a change in ownership or voting shares;

177.18 (8) an addition, removal, withdrawal, substitution, or other modification of the members  
177.19 of a health care entity formed under chapter 317A that results in a change of 40 percent or  
177.20 more of the membership of the health care entity; or

177.21 (9) any other transfer of control of a health care entity to, or acquisition of control of a  
177.22 health care entity by, another entity.

177.23 A transaction does not include an action or series of actions which meets one or more of  
177.24 the criteria set forth in clauses (1) to (9) if, immediately prior to all such actions, the health  
177.25 care entity directly, or indirectly through one or more intermediaries, controls, or is controlled  
177.26 by, or is under common control with, all other parties to the action or series of actions.

177.27 Subd. 2. **Notice required.** (a) This subdivision applies to all transactions where:

177.28 (1) the health care entity involved in the transaction has average revenue of at least  
177.29 \$40,000,000 per year; or

177.30 (2) an entity created by the transaction is projected to have average revenue of at least  
177.31 \$40,000,000 per year once the entity is operating at full capacity.

178.1 (b) A health care entity must provide notice to the attorney general and the commissioner  
178.2 and comply with this subdivision before entering into a transaction. Notice must be provided  
178.3 at least 90 days before the proposed completion date for the transaction.

178.4 (c) As part of the notice required under this subdivision, at least 90 days before the  
178.5 proposed completion date of the transaction, a health care entity must affirmatively disclose  
178.6 the following to the attorney general and the commissioner:

178.7 (1) the entities involved in the transaction;

178.8 (2) the leadership of the entities involved in the transaction, including all directors, board  
178.9 members, and officers;

178.10 (3) the services provided by each entity and the attributed revenue for each entity by  
178.11 location;

178.12 (4) the primary service area for each location;

178.13 (5) the proposed service area for each location;

178.14 (6) the current relationships between the entities and the health care providers and  
178.15 practices affected, the locations of affected health care providers and practices, the services  
178.16 provided by affected health care providers and practices, and the proposed relationships  
178.17 between the entities and the health care providers and practices affected;

178.18 (7) the terms of the transaction agreement or agreements;

178.19 (8) the acquisition price;

178.20 (9) markets in which the entities expect postmerger synergies to produce a competitive  
178.21 advantage;

178.22 (10) potential areas of expansion, whether in existing markets or new markets;

178.23 (11) plans to close facilities, reduce workforce, or reduce or eliminate services;

178.24 (12) the experts and consultants used to evaluate the transaction;

178.25 (13) the number of full-time equivalent positions at each location before and after the  
178.26 transaction by job category, including administrative and contract positions; and

178.27 (14) any other information requested by the attorney general or commissioner.

178.28 (d) As part of the notice required under this subdivision, at least 90 days before the  
178.29 proposed completion date of the transaction, a health care entity must affirmatively produce  
178.30 the following to the attorney general and the commissioner:

- 179.1 (1) the current governing documents for all entities involved in the transaction and any  
179.2 amendments to these documents;
- 179.3 (2) the transaction agreement or agreements and all related agreements;
- 179.4 (3) any collateral agreements related to the principal transaction, including leases,  
179.5 management contracts, and service contracts;
- 179.6 (4) all expert or consultant reports or valuations conducted in evaluating the transaction,  
179.7 including any valuation of the assets that are subject to the transaction prepared within three  
179.8 years preceding the anticipated transaction completion date and any reports of financial or  
179.9 economic analysis conducted in anticipation of the transaction;
- 179.10 (5) the results of any projections or modeling of health care utilization or financial  
179.11 impacts related to the transaction, including but not limited to copies of reports by appraisers,  
179.12 accountants, investment bankers, actuaries, and other experts;
- 179.13 (6) a financial and economic analysis and report prepared by an independent expert or  
179.14 consultant on the effects of the transaction;
- 179.15 (7) an impact analysis report prepared by an independent expert or consultant on the  
179.16 effects of the transaction on communities and the workforce, including any changes in  
179.17 availability or accessibility of services;
- 179.18 (8) all documents reflecting the purposes of or restrictions on any related nonprofit  
179.19 entity's charitable assets;
- 179.20 (9) copies of all filings submitted to federal regulators, including any Hart-Scott-Rodino  
179.21 filing the entities submitted to the Federal Trade Commission in connection with the  
179.22 transaction;
- 179.23 (10) a certification sworn under oath by each board member and chief executive officer  
179.24 for any nonprofit entity involved in the transaction containing the following: an explanation  
179.25 of how the completed transaction is in the public interest, addressing the factors in subdivision  
179.26 5, paragraph (a); a disclosure of each declarant's compensation and benefits relating to the  
179.27 transaction for the three years following the transaction's anticipated completion date; and  
179.28 a disclosure of any conflicts of interest;
- 179.29 (11) audited and unaudited financial statements from all entities involved in the  
179.30 transaction and tax filings for all entities involved in the transaction covering the preceding  
179.31 five fiscal years; and

180.1 (12) any other information or documents requested by the attorney general or  
180.2 commissioner.

180.3 (e) The attorney general may extend the notice and waiting period required under  
180.4 paragraph (b) for an additional 90 days by notifying the health care entity in writing of the  
180.5 extension.

180.6 (f) The attorney general may waive all or any part of the notice and waiting period  
180.7 required under paragraph (b).

180.8 (g) The attorney general or the commissioner may hold public listening sessions or  
180.9 forums to obtain input on the transaction from providers or community members who may  
180.10 be impacted by the transaction.

180.11 (h) The attorney general or the commissioner may bring an action in district court to  
180.12 compel compliance with the notice requirements in this subdivision.

180.13 Subd. 3. **Prohibited transactions.** No health care entity may enter into a transaction  
180.14 that will:

180.15 (1) substantially lessen competition; or

180.16 (2) tend to create a monopoly or monopsony.

180.17 Subd. 4. **Additional requirements for nonprofit health care entities.** A health care  
180.18 entity that is incorporated under chapter 317A or organized under section 322C.1101, or  
180.19 that is a subsidiary of any such entity, must, before entering into a transaction, ensure that:

180.20 (1) the transaction complies with chapters 317A and 501B and other applicable laws;

180.21 (2) the transaction does not involve or constitute a breach of charitable trust;

180.22 (3) the nonprofit health care entity will receive full and fair value for its public benefit  
180.23 assets, provided that this requirement is waived if application for waiver is made to the  
180.24 attorney general and the attorney general determines a waiver from this requirement is in  
180.25 the public interest;

180.26 (4) the value of the public benefit assets to be transferred has not been manipulated in  
180.27 a manner that causes or has caused the value of the assets to decrease;

180.28 (5) the proceeds of the transaction will be used in a manner consistent with the public  
180.29 benefit for which the assets are held by the nonprofit health care entity;

180.30 (6) the transaction will not result in a breach of fiduciary duty; and

181.1 (7) there are procedures and policies in place to prohibit any officer, director, trustee,  
181.2 or other executive of the nonprofit health care entity from directly or indirectly benefiting  
181.3 from the transaction.

181.4 **Subd. 5. Attorney general enforcement and supplemental authority.** (a) The attorney  
181.5 general may bring an action in district court to enjoin or unwind a transaction or seek other  
181.6 equitable relief necessary to protect the public interest if a health care entity or transaction  
181.7 violates this section, if the transaction is contrary to the public interest, or if both a health  
181.8 care entity or transaction violates this section and the transaction is contrary to the public  
181.9 interest. Factors informing whether a transaction is contrary to the public interest include  
181.10 but are not limited to whether the transaction:

181.11 (1) will harm public health;

181.12 (2) will reduce the affected community's continued access to affordable and quality care  
181.13 and to the range of services historically provided by the entities or will prevent members  
181.14 in the affected community from receiving a comparable or better patient experience;

181.15 (3) will have a detrimental impact on competing health care options within primary and  
181.16 dispersed service areas;

181.17 (4) will reduce delivery of health care to disadvantaged, uninsured, underinsured, and  
181.18 underserved populations and to populations enrolled in public health care programs;

181.19 (5) will have a substantial negative impact on medical education and teaching programs,  
181.20 health care workforce training, or medical research;

181.21 (6) will have a negative impact on the market for health care services, health insurance  
181.22 services, or skilled health care workers;

181.23 (7) will increase health care costs for patients; or

181.24 (8) will adversely impact provider cost trends and containment of total health care  
181.25 spending.

181.26 (b) The attorney general may enforce this section under section 8.31.

181.27 (c) Failure of the entities involved in a transaction to provide timely information as  
181.28 required by the attorney general or the commissioner shall be an independent and sufficient  
181.29 ground for a court to enjoin or unwind the transaction or provide other equitable relief,  
181.30 provided the attorney general notified the entities of the inadequacy of the information  
181.31 provided and provided the entities with a reasonable opportunity to remedy the inadequacy.

182.1 (d) The attorney general shall consult with the commissioner to determine whether a  
182.2 transaction is contrary to the public interest. Any information exchanged between the attorney  
182.3 general and the commissioner according to this subdivision is confidential data on individuals  
182.4 as defined in section 13.02, subdivision 3, or protected nonpublic data as defined in section  
182.5 13.02, subdivision 13. The commissioner may share with the attorney general, according  
182.6 to section 13.05, subdivision 9, any not public data, as defined in section 13.02, subdivision  
182.7 8a, held by the Department of Health to aid in the investigation and review of the transaction,  
182.8 and the attorney general must maintain this data with the same classification according to  
182.9 section 13.03, subdivision 4, paragraph (d).

182.10 Subd. 6. **Supplemental authority of commissioner.** (a) Notwithstanding any law to  
182.11 the contrary, the commissioner may use data or information submitted under this section,  
182.12 section 62U.04, and sections 144.695 to 144.705 to conduct analyses of the aggregate impact  
182.13 of health care transactions on access to or the cost of health care services, health care market  
182.14 consolidation, and health care quality.

182.15 (b) The commissioner shall issue periodic public reports on the number and types of  
182.16 transactions subject to this section and on the aggregate impact of transactions on health  
182.17 care cost, quality, and competition in Minnesota.

182.18 Subd. 7. **Relation to other law.** (a) The powers and authority under this section are in  
182.19 addition to, and do not affect or limit, all other rights, powers, and authority of the attorney  
182.20 general or the commissioner under chapter 8, 309, 317A, 325D, 501B, or other law.

182.21 (b) Nothing in this section shall suspend any obligation imposed under chapter 8, 309,  
182.22 317A, 325D, 501B, or other law on the entities involved in a transaction.

182.23 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
182.24 applies to transactions completed on or after that date. In determining whether a transaction  
182.25 was completed on or after the effective date, any actions or series of actions necessary to  
182.26 the completion of the transaction that occurred prior to the effective date must be considered.

182.27 Sec. 51. **[144.587] REQUIREMENTS FOR SCREENING FOR ELIGIBILITY FOR**  
182.28 **HEALTH COVERAGE OR ASSISTANCE.**

182.29 Subdivision 1. **Definitions.** (a) The terms defined in this subdivision apply to this section  
182.30 and sections 144.588 to 144.589.

182.31 (b) "Charity care" means the provision of free or discounted care to a patient according  
182.32 to a hospital's financial assistance policies.

183.1 (c) "Hospital" means a private, nonprofit, or municipal hospital licensed under sections  
183.2 144.50 to 144.56.

183.3 (d) "Insurance affordability program" has the meaning given in section 256B.02,  
183.4 subdivision 19.

183.5 (e) "Navigator" has the meaning given in section 62V.02, subdivision 9.

183.6 (f) "Presumptive eligibility" has the meaning given in section 256B.057, subdivision  
183.7 12.

183.8 (g) "Revenue recapture" means the use of the procedures in chapter 270A to collect debt.

183.9 (h) "Uninsured service or treatment" means any service or treatment that is not covered  
183.10 by:

183.11 (1) a health plan, contract, or policy that provides health coverage to a patient; or

183.12 (2) any other type of insurance coverage, including but not limited to no-fault automobile  
183.13 coverage, workers' compensation coverage, or liability coverage.

183.14 (i) "Unreasonable burden" includes requiring a patient to apply for enrollment in a state  
183.15 or federal program for which the patient is obviously or categorically ineligible or has been  
183.16 found to be ineligible in the previous 12 months.

183.17 Subd. 2. **Screening.** (a) A hospital participating in the hospital presumptive eligibility  
183.18 program under section 256B.057, subdivision 12, must determine whether a patient who is  
183.19 uninsured or whose insurance coverage status is not known by the hospital is eligible for  
183.20 hospital presumptive eligibility coverage.

183.21 (b) For any uninsured patient, including any patient the hospital determines is eligible  
183.22 for hospital presumptive eligibility coverage, and for any patient whose insurance coverage  
183.23 status is not known to the hospital, a hospital must:

183.24 (1) if it is a certified application counselor organization, schedule an appointment for  
183.25 the patient with a certified application counselor to occur prior to discharge unless the  
183.26 occurrence of the appointment would delay discharge;

183.27 (2) if the occurrence of the appointment under clause (1) would delay discharge or if  
183.28 the hospital is not a certified application counselor organization, schedule prior to discharge  
183.29 an appointment for the patient with a MNsure-certified navigator to occur after discharge  
183.30 unless the scheduling of an appointment would delay discharge; or

183.31 (3) if the scheduling of an appointment under clause (2) would delay discharge or if the  
183.32 patient declines the scheduling of an appointment under clause (1) or (2), provide the patient

184.1 with contact information for available MNsure-certified navigators who can meet the needs  
184.2 of the patient.

184.3 (c) For any uninsured patient, including any patient the hospital determines is eligible  
184.4 for hospital presumptive eligibility coverage, and any patient whose insurance coverage  
184.5 status is not known to the hospital, a hospital must screen the patient for eligibility for charity  
184.6 care from the hospital. The hospital must attempt to complete the screening process for  
184.7 charity care in person or by telephone within 30 days after the patient receives services at  
184.8 the hospital or at the emergency department associated with the hospital.

184.9 Subd. 3. **Charity care.** (a) Upon completion of the screening process in subdivision 2,  
184.10 paragraph (c), the hospital must determine whether the patient is ineligible or potentially  
184.11 eligible for charity care. When a hospital evaluates a patient's eligibility for charity care,  
184.12 hospital requests to the responsible party for verification of assets or income shall be limited  
184.13 to:

184.14 (1) information that is reasonably necessary and readily available to determine eligibility;  
184.15 and

184.16 (2) facts that are relevant to determine eligibility.

184.17 A hospital must not demand duplicate forms of verification of assets.

184.18 (b) If the patient is not ineligible for charity care, the hospital must assist the patient  
184.19 with applying for charity care and refer the patient to the appropriate department in the  
184.20 hospital for follow-up. A hospital may not impose application procedures for charity care  
184.21 that place an unreasonable burden on the individual patient, taking into account the individual  
184.22 patient's physical, mental, intellectual, or sensory deficiencies or language barriers that may  
184.23 hinder the patient's ability to comply with application procedures.

184.24 (c) A hospital may not initiate any of the actions described in subdivision 4 while the  
184.25 patient's application for charity care is pending.

184.26 Subd. 4. **Prohibited actions.** A hospital must not initiate one or more of the following  
184.27 actions until the hospital determines that the patient is ineligible for charity care or denies  
184.28 an application for charity care:

184.29 (1) offering to enroll or enrolling the patient in a payment plan;

184.30 (2) changing the terms of a patient's payment plan;



185.1 (3) offering the patient a loan or line of credit, application materials for a loan or line of  
185.2 credit, or assistance with applying for a loan or line of credit, for the payment of medical  
185.3 debt;

185.4 (4) referring a patient's debt for collections, including in-house collections, third-party  
185.5 collections, revenue recapture, or any other process for the collection of debt;

185.6 (5) denying health care services to the patient or any member of the patient's household  
185.7 because of outstanding medical debt, regardless of whether the services are deemed necessary  
185.8 or may be available from another provider; or

185.9 (6) accepting a credit card payment of over \$500 for the medical debt owed to the hospital.

185.10 Subd. 5. **Notice.** (a) A hospital must post notice of the availability of charity care from  
185.11 the hospital in at least the following locations: (1) areas of the hospital where patients are  
185.12 admitted or registered; (2) emergency departments; and (3) the portion of the hospital's  
185.13 financial services or billing department that is accessible to patients. The posted notice must  
185.14 be in all languages spoken by more than five percent of the population in the hospital's  
185.15 service area.

185.16 (b) A hospital must make available on the hospital's website the current version of the  
185.17 hospital's charity care policy, a plain-language summary of the policy, and the hospital's  
185.18 charity care application form. The summary and application form must be available in all  
185.19 languages spoken by more than five percent of the population in the hospital's service area.

185.20 Subd. 6. **Patient may decline services.** A patient may decline to complete an insurance  
185.21 affordability program application to schedule an appointment with a certified application  
185.22 counselor, to schedule an appointment with a MNsure-certified navigator, to accept  
185.23 information about navigator services, to participate in the charity care screening process,  
185.24 or to apply for charity care.

185.25 Subd. 7. **Enforcement.** In addition to the enforcement of this section by the  
185.26 commissioner, the attorney general may enforce this section under section 8.31.

185.27 **EFFECTIVE DATE.** This section is effective November 1, 2023, and applies to services  
185.28 and treatments provided on or after that date.

185.29 Sec. 52. **[144.588] CERTIFICATION OF EXPERT REVIEW.**

185.30 Subdivision 1. **Requirement; action to collect medical debt or garnish wages or bank**  
185.31 **accounts.** (a) In an action against a patient or guarantor for collection of medical debt owed  
185.32 to a hospital or for garnishment of the patient's or guarantor's wages or bank accounts to

186.1 collect medical debt owed to a hospital, the hospital must serve on the defendant with the  
186.2 summons and complaint an affidavit of expert review certifying that:

186.3 (1) unless the patient declined to participate, the hospital complied with the requirements  
186.4 in section 144.587;

186.5 (2) there is a reasonable basis to believe that the patient owes the debt;

186.6 (3) all known third-party payors have been properly billed by the hospital, such that any  
186.7 remaining debt is the financial responsibility of the patient, and the hospital will not bill the  
186.8 patient for any amount that an insurance company is obligated to pay;

186.9 (4) the patient has been given a reasonable opportunity to apply for charity care, if the  
186.10 facts and circumstances suggest that the patient may be eligible for charity care;

186.11 (5) where the patient has indicated an inability to pay the full amount of the debt in one  
186.12 payment and provided reasonable verification of the inability to pay the full amount of the  
186.13 debt in one payment if requested by the hospital, the hospital has offered the patient a  
186.14 reasonable payment plan;

186.15 (6) there is no reasonable basis to believe that the patient's or guarantor's wages or funds  
186.16 at a financial institution are likely to be exempt from garnishment; and

186.17 (7) in the case of a default judgment proceeding, there is not a reasonable basis to believe:

186.18 (i) that the patient may already consider that the patient has adequately answered the  
186.19 complaint by calling or writing to the hospital, its debt collection agency, or its attorney;

186.20 (ii) that the patient is potentially unable to answer the complaint due to age, disability,  
186.21 or medical condition; or

186.22 (iii) the patient may not have received service of the complaint.

186.23 (b) The affidavit of expert review must be completed by a designated employee of the  
186.24 hospital seeking to initiate the action or garnishment.

186.25 **Subd. 2. Requirement; referral to third-party debt collection agency.** (a) In order to  
186.26 refer a patient's account to a third-party debt collection agency, a hospital must complete  
186.27 an affidavit of expert review certifying that:

186.28 (1) unless the patient declined to participate, the hospital complied with the requirements  
186.29 in section 144.587;

186.30 (2) there is a reasonable basis to believe that the patient owes the debt;

187.1 (3) all known third-party payors have been properly billed by the hospital, such that any  
187.2 remaining debt is the financial responsibility of the patient, and the hospital will not bill the  
187.3 patient for any amount that an insurance company is obligated to pay;

187.4 (4) the patient has been given a reasonable opportunity to apply for charity care, if the  
187.5 facts and circumstances suggest that the patient may be eligible for charity care; and

187.6 (5) where the patient has indicated an inability to pay the full amount of the debt in one  
187.7 payment and provided reasonable verification of the inability to pay the full amount of the  
187.8 debt in one payment if requested by the hospital, the hospital has offered the patient a  
187.9 reasonable payment plan.

187.10 (b) The affidavit of expert review must be completed by a designated employee of the  
187.11 hospital seeking to refer the patient's account to a third-party debt collection agency.

187.12 Subd. 3. **Penalty for noncompliance.** Failure to comply with subdivision 1 shall result,  
187.13 upon motion, in mandatory dismissal with prejudice of the action to collect the medical  
187.14 debt or to garnish the patient's or guarantor's wages or bank accounts. Failure to comply  
187.15 with subdivision 2 shall subject a hospital to a fine assessed by the commissioner of health.  
187.16 In addition to the enforcement of this section by the commissioner, the attorney general  
187.17 may enforce this section under section 8.31.

187.18 Subd. 4. **Collection agency; immunity.** A collection agency, as defined in section  
187.19 332.31, subdivision 3, is not liable under section 144.588, subdivision 3, for inaccuracies  
187.20 in an affidavit of expert review completed by a designated employee of the hospital.

187.21 **EFFECTIVE DATE.** This section is effective November 1, 2023, and applies to actions  
187.22 and referrals to third-party debt collection agencies stemming from services and treatments  
187.23 provided on or after that date.

187.24 Sec. 53. **[144.589] BILLING OF UNINSURED PATIENTS.**

187.25 Subdivision 1. **Limits on charges.** A hospital must not charge a patient whose annual  
187.26 household income is less than \$125,000 for any uninsured service or treatment in an amount  
187.27 that exceeds the lowest total amount the provider would be reimbursed for that service or  
187.28 treatment from a nongovernmental third-party payor. The lowest total amount the provider  
187.29 would be reimbursed for that service or treatment from a nongovernmental third-party payor  
187.30 includes both the amount the provider would be reimbursed directly from the  
187.31 nongovernmental third-party payor and the amount the provider would be reimbursed from  
187.32 the insured's policyholder under any applicable co-payments, deductibles, and coinsurance.  
187.33 This statute supersedes the language in the Minnesota Attorney General Hospital Agreement.

188.1 Subd. 2. **Enforcement.** In addition to the enforcement of this section by the  
188.2 commissioner, the attorney general may enforce this section under section 8.31.

188.3 **EFFECTIVE DATE.** This section is effective November 1, 2023, and applies to services  
188.4 and treatments provided on or after that date.

188.5 Sec. 54. **[144.645] SUPPORTING HEALTHY DEVELOPMENT OF BABIES GRANT**  
188.6 **PROGRAM.**

188.7 Subdivision 1. **Establishment.** The commissioner of health must establish a supporting  
188.8 healthy development of babies grant program for community-driven training and education  
188.9 on best practices for supporting healthy development of babies during pregnancy and  
188.10 postpartum. The grant money must be used to build capacity in, train, educate, or improve  
188.11 practices among individuals, from youth to elders, serving families with members who are  
188.12 Black, Indigenous, or People of Color during pregnancy and postpartum.

188.13 Subd. 2. **Eligibility; application.** To be eligible for a grant under this section, applicants  
188.14 must be a nonprofit organization. A nonprofit organization seeking a grant under this section  
188.15 must apply to the commissioner at a time and in a manner specified by the commissioner.  
188.16 The commissioner shall review each application to determine if the application is complete,  
188.17 the nonprofit organization is eligible for a grant, and the proposed project is an allowable  
188.18 use of grant funds. The commissioner must determine the grant amount awarded to applicants  
188.19 that the commissioner determines will receive a grant.

188.20 Sec. 55. **[144.6504] ALZHEIMER'S DISEASE AND DEMENTIA CARE TRAINING**  
188.21 **PROGRAM.**

188.22 (a) The commissioner of health, in collaboration with interested stakeholders, shall  
188.23 develop and provide a training program for community health workers on recognizing and  
188.24 understanding Alzheimer's disease and dementia. The training program may be conducted  
188.25 either virtually or in person and must, at a minimum, include instruction on:

188.26 (1) recognizing the common warning signs of Alzheimer's disease and dementia;

188.27 (2) understanding how Alzheimer's disease and dementia affect communication and  
188.28 behavior;

188.29 (3) recognizing potential safety risks for individuals living with dementia, including the  
188.30 risks of wandering and elder abuse; and

188.31 (4) identifying appropriate techniques to communicate with individuals living with  
188.32 dementia and how to appropriately respond to dementia-related behaviors.

189.1 (b) The commissioner shall work with the Minnesota State Colleges and University  
189.2 System (MNSCU) to explore the possibility of including a training program that meets the  
189.3 requirements of this section to the MNSCU-approved community health worker certification  
189.4 program.

189.5 (c) Notwithstanding paragraph (a), if a training program already exists that meets the  
189.6 requirements of this section, the commissioner may approve the existing training program  
189.7 or programs instead of developing a new program, and, in collaboration with interested  
189.8 stakeholders, ensure that the approved training program or programs are available to all  
189.9 community health workers.

189.10 Sec. 56. Minnesota Statutes 2022, section 144.651, is amended by adding a subdivision  
189.11 to read:

189.12 Subd. 10a. **Designated support person for pregnant patient.** (a) Subject to paragraph  
189.13 (c), a health care provider and a health care facility must allow, at a minimum, one designated  
189.14 support person of a pregnant patient's choosing to be physically present while the patient  
189.15 is receiving health care services including during a hospital stay.

189.16 (b) For purposes of this subdivision, "designated support person" means any person  
189.17 chosen by the patient to provide comfort to the patient including but not limited to the  
189.18 patient's spouse, partner, family member, or another person related by affinity. Certified  
189.19 doulas and traditional midwives may not be counted toward the limit of one designated  
189.20 support person.

189.21 (c) A facility may restrict or prohibit the presence of a designed support person in  
189.22 treatment rooms, procedure rooms, and operating rooms when such a restriction or prohibition  
189.23 is strictly necessary to meet the appropriate standard of care. A facility may also restrict or  
189.24 prohibit the presence of a designated support person if the designated support person is  
189.25 acting in a violent or threatening manner towards others. Any restriction or prohibition of  
189.26 a designated support person by the facility is subject to the facility's written internal grievance  
189.27 procedure required by subdivision 20.

189.28 Sec. 57. Minnesota Statutes 2022, section 144.9501, subdivision 9, is amended to read:

189.29 Subd. 9. **Elevated blood lead level.** "Elevated blood lead level" means a diagnostic  
189.30 blood lead test with a result that is equal to or greater than ~~ten~~ 3.5 micrograms of lead per  
189.31 deciliter of whole blood in any person, unless the commissioner finds that a lower  
189.32 concentration is necessary to protect public health.

190.1 Sec. 58. **[144.9821] ADVANCING HEALTH EQUITY THROUGH CAPACITY**  
190.2 **BUILDING AND RESOURCE ALLOCATION.**

190.3 Subdivision 1. Establishment of grant program. The commissioner of health shall:

190.4 (1) establish an annual grant program to award infrastructure capacity building grants  
190.5 to help metro and rural community and faith-based organizations serving populations of  
190.6 color, American Indian, LGBTQIA+, and those with disabilities in Minnesota who have  
190.7 been disproportionately impacted by health and other inequities to be better equipped and  
190.8 prepared for success in procuring grants and contracts at the department and addressing  
190.9 inequities; and

190.10 (2) create a framework at the department to maintain equitable practices in grantmaking  
190.11 to ensure that internal grantmaking and procurement policies and practices prioritize equity,  
190.12 transparency, and accessibility to include:

190.13 (i) a tracking system for the department to better monitor and evaluate equitable  
190.14 procurement and grantmaking processes and their impacts; and

190.15 (ii) technical assistance and coaching to department leadership in grantmaking and  
190.16 procurement processes and programs and providing tools and guidance to ensure equitable  
190.17 and transparent competitive grantmaking processes and award distribution across  
190.18 communities most impacted by inequities and develop measures to track progress over time.

190.19 Subd. 2. Commissioner's duties. The commissioner of health shall:

190.20 (1) in consultation with community stakeholders, community health boards and Tribal  
190.21 nations, develop a request for proposals for infrastructure capacity building grant program  
190.22 to help community-based organizations, including faith-based organizations, to be better  
190.23 equipped and prepared for success in procuring grants and contracts at the department and  
190.24 beyond;

190.25 (2) provide outreach, technical assistance, and program development support to increase  
190.26 capacity for new and existing community-based organizations and other service providers  
190.27 in order to better meet statewide needs particularly in greater Minnesota and areas where  
190.28 services to reduce health disparities have not been established;

190.29 (3) in consultation with community stakeholders, review responses to requests for  
190.30 proposals and award of grants under this section;

190.31 (4) ensure communication with the ethnic councils, Minnesota Indian Affairs Council,  
190.32 Minnesota Council on Disability, Minnesota Commission of the Deaf, Deafblind, and Hard  
190.33 of Hearing, and the governor's office on the request for proposal process;

191.1 (5) in consultation with community stakeholders, establish a transparent and objective  
 191.2 accountability process focused on outcomes that grantees agree to achieve;

191.3 (6) maintain data on outcomes reported by grantees; and

191.4 (7) establish a process or mechanism to evaluate the success of the capacity building  
 191.5 grant program and to build the evidence base for effective community-based organizational  
 191.6 capacity building in reducing disparities.

191.7 Subd. 3. **Eligible grantees.** Organizations eligible to receive grant funding under this  
 191.8 section include: organizations or entities that work with diverse communities such populations  
 191.9 of color, American Indian, LGBTQIA+, and those with disabilities in metro and rural  
 191.10 communities.

191.11 Subd. 4. **Strategic consideration and priority of proposals; eligible populations;**  
 191.12 **grant awards.** (a) The commissioner, in consultation with community stakeholders, shall  
 191.13 develop a request for proposals for equity in procurement and grantmaking capacity building  
 191.14 grant program to help community-based organizations, including faith-based organizations  
 191.15 to be better equipped and prepared for success in procuring grants and contracts at the  
 191.16 department and addressing inequities.

191.17 (b) In awarding the grants, the commissioner shall provide strategic consideration and  
 191.18 give priority to proposals from organizations or entities led by populations of color, American  
 191.19 Indians and those serving communities of color, American Indians; LGBTQIA+, and  
 191.20 disability communities.

191.21 Subd. 5. **Geographic distribution of grants.** The commissioner shall ensure that grant  
 191.22 funds are prioritized and awarded to organizations and entities that are within counties that  
 191.23 have a higher proportion of Black or African American, nonwhite Latino(a), LGBTQIA+,  
 191.24 and disability communities to the extent possible.

191.25 Subd. 6. **Report.** Grantees must report grant program outcomes to the commissioner on  
 191.26 the forms and according to the timelines established by the commissioner.

191.27 Sec. 59. **[144.9981] CLIMATE RESILIENCY.**

191.28 Subdivision 1. **Climate resiliency program.** The commissioner of health shall implement  
 191.29 a climate resiliency program to:

191.30 (1) increase awareness of climate change;

191.31 (2) track the public health impacts of climate change and extreme weather events;

192.1 (3) provide technical assistance and tools that support climate resiliency to local public  
192.2 health, Tribal health, soil and water conservation districts, and other local governmental  
192.3 and nongovernmental organizations; and

192.4 (4) coordinate with the commissioners of the pollution control agency, natural resources,  
192.5 and agriculture and other state agencies in climate resiliency related planning and  
192.6 implementation.

192.7 Subd. 2. **Grants authorized; allocation.** (a) The commissioner of health shall manage  
192.8 a grant program for the purpose of climate resiliency planning. The commissioner shall  
192.9 award grants through a request for proposals process to local public health, Tribal health,  
192.10 soil and water conservation districts, or other local organizations for planning for the health  
192.11 impacts of extreme weather events and developing adaptation actions. Priority shall be given  
192.12 to organizations that serve communities that are disproportionately impacted by climate  
192.13 change.

192.14 (b) Grantees must use the funds to develop a plan or implement strategies that will reduce  
192.15 the risk of health impacts from extreme weather events. The grant application must include:

192.16 (1) a description of the plan or project for which the grant funds will be used;

192.17 (2) a description of the pathway between the plan or project and its impacts on health;

192.18 (3) a description of the objectives, a work plan, and a timeline for implementation; and

192.19 (4) the community or group the grant proposes to focus on.

192.20 Sec. 60. **[145.361] LONG COVID.**

192.21 Subdivision 1. **Definition.** (a) For the purpose of this section, the terms have the meanings  
192.22 given.

192.23 (b) "Long COVID" means health problems that people experience four or more weeks  
192.24 after being infected with SARS-CoV-2, the virus that causes COVID-19. Long COVID is  
192.25 also called post-COVID conditions, long-haul COVID, chronic COVID, post-acute COVID,  
192.26 or post-acute sequelae of COVID-19 (PASC).

192.27 (c) "Related conditions" means conditions related to or similar to long COVID including  
192.28 but not limited to myalgic encephalomyelitis/chronic fatigue syndrome (ME/CFS) and  
192.29 dysautonomia, and postural orthostatic tachycardia syndrome (POTS).

192.30 Subd. 2. **Establishment.** The commissioner of health shall establish a program to conduct  
192.31 community assessments and epidemiologic investigations to monitor and address impacts  
192.32 of long COVID and related conditions. The purposes of these activities are to:



193.1 (1) monitor trends in: incidence, prevalence, mortality, and health outcomes; changes  
 193.2 in disability status, employment, and quality of life; and service needs of individuals with  
 193.3 long COVID or related conditions and to detect potential public health problems, predict  
 193.4 risks, and assist in investigating long COVID and related conditions health inequities;

193.5 (2) more accurately target information and resources for communities and patients and  
 193.6 their families;

193.7 (3) inform health professionals and citizens about risks and early detection;

193.8 (4) promote evidence-based practices around long COVID and related conditions  
 193.9 prevention and management and to address public concerns and questions about long COVID  
 193.10 and related conditions; and

193.11 (5) research and track related conditions.

193.12 Subd. 3. **Partnerships.** The commissioner of health shall, in consultation with health  
 193.13 care professionals, the Department of Human Services, local public health, health insurers,  
 193.14 employers, schools, survivors of long COVID or related conditions, and community  
 193.15 organizations serving people at high risk of long COVID or related conditions, identify  
 193.16 priority actions and activities to address the needs for communication, services, resources,  
 193.17 tools, strategies, and policies to support survivors of long COVID or related conditions and  
 193.18 their families.

193.19 Subd. 4. **Grants and contracts.** The commissioner of health shall coordinate and  
 193.20 collaborate with community and organizational partners to implement evidence-informed  
 193.21 priority actions through community-based grants and contracts. The commissioner of health  
 193.22 shall award contracts and grants to organizations that serve communities disproportionately  
 193.23 impacted by COVID-19, long COVID, or related conditions, including but not limited to  
 193.24 rural and low-income areas, Black and African Americans, African immigrants, American  
 193.25 Indians, Asian American-Pacific Islanders, Latino(a), LGBTQ+, and persons with disabilities.  
 193.26 Organizations may also address intersectionality within the groups. The commissioner shall  
 193.27 award grants and contracts to eligible organizations to plan, construct, and disseminate  
 193.28 resources and information to support survivors of long COVID or related conditions,  
 193.29 including caregivers, health care providers, ancillary health care workers, workplaces,  
 193.30 schools, communities, and local and Tribal public health.

193.31 Sec. 61. [145.561] 988 SUICIDE AND CRISIS LIFELINE.

193.32 Subdivision 1. **Definitions.** (a) For purposes of this section, the following definitions  
 193.33 apply.

194.1 (b) "Commissioner" means the commissioner of health.

194.2 (c) "Department" means the Department of Health.

194.3 (d) "Lifeline center" means a state-identified center that is a member of the Suicide and  
194.4 Crisis Lifeline network that responds to statewide or regional 988 contacts.

194.5 (e) "988" or "988 hotline" means the universal telephone number for the national suicide  
194.6 prevention and mental health crisis hotline system within the United States operating through  
194.7 the Suicide and Crisis Lifeline, or its successor, maintained by the assistant secretary for  
194.8 mental health and substance use under section 520E-2 of the Public Health Service Act.

194.9 (f) "988 administrator" means the administrator of the 988 Suicide and Crisis Lifeline  
194.10 maintained by the assistant secretary for mental health and substance use under section  
194.11 520E-3 of the Public Health Service Act.

194.12 (g) "988 contact" means a communication with the 988 national suicide prevention and  
194.13 mental health crisis hotline system within the United States via modalities offered that may  
194.14 include call, chat, or text.

194.15 (h) "Veterans Crisis Line" means the Veterans Crisis Line maintained by the secretary  
194.16 of veterans affairs under United States Code, title 38, section 170F(h).

194.17 Subd. 2. **988 hotline; lifeline centers.** (a) The commissioner shall administer the  
194.18 designation of and oversee a lifeline center or network of lifeline centers to answer 988  
194.19 contacts from individuals accessing the Suicide and Crisis Lifeline from any location in  
194.20 Minnesota 24 hours per day, seven days per week.

194.21 (b) The designated lifeline center or centers must:

194.22 (1) have an active agreement with the 988 administrator for participation within the  
194.23 network and with the department;

194.24 (2) meet the 988 administrator's requirements and best practice guidelines for operational  
194.25 and clinical standards;

194.26 (3) provide data, engage in reporting, and participate in evaluations and related quality  
194.27 improvement activities as required by the 988 administrator and the department;

194.28 (4) identify or adapt technology that is demonstrated to be interoperable across crisis  
194.29 and emergency response systems used in the state for the purpose of crisis care coordination;

194.30 (5) connect people to crisis response and outgoing services, including mobile crisis  
194.31 teams, in accordance with guidelines established by the 988 administrator and the department  
194.32 and in collaboration with the Department of Human Services;

195.1 (6) actively collaborate and coordinate service linkages with mental health and substance  
195.2 use disorder treatment providers; local community mental health centers, including certified  
195.3 community behavioral health clinics and community behavioral health centers; mobile crisis  
195.4 teams; and emergency departments;

195.5 (7) offer follow-up services to individuals accessing the lifeline center that are consistent  
195.6 with guidelines established by the 988 administrator and the department; and

195.7 (8) meet requirements set by the 988 administrator and the department for serving  
195.8 high-risk and specialized populations and culturally or ethnically diverse populations.

195.9 (c) The commissioner shall use the commissioner's rulemaking authority to allow  
195.10 appropriate information sharing and communication between and across crisis and emergency  
195.11 response systems.

195.12 (d) The commissioner, having primary oversight of suicide prevention, shall work with  
195.13 the Suicide and Crisis Lifeline, Veterans Crisis Line, and other SAMHSA-approved networks  
195.14 to ensure consistency of public messaging about 988 services. The commissioner may  
195.15 engage in activities to publicize and raise awareness about 988 services, or may provide  
195.16 grants to other organizations for these purposes.

195.17 (e) The commissioner shall provide an annual report to the legislature on usage of the  
195.18 988 hotline, including answer rates, rates of abandoned calls, and referral rates to 911  
195.19 emergency response and to mental health crisis teams. Notwithstanding section 144.05,  
195.20 subdivision 7, the reports required under this paragraph do not expire.

195.21 Subd. 3. **988 special revenue account.** (a) A 988 special revenue account is established  
195.22 as a dedicated account in the special revenue fund to create and maintain a statewide 988  
195.23 suicide prevention crisis system according to the National Suicide Hotline Designation Act  
195.24 of 2020, the Federal Communications Commission's report and order FCC 20-100 adopted  
195.25 July 16, 2020, and national guidelines for crisis care.

195.26 (b) The 988 special revenue account shall consist of:

195.27 (1) a 988 telecommunications fee imposed under subdivision 4;

195.28 (2) a prepaid wireless 988 fee imposed under section 403.161;

195.29 (3) transfers of state money into the account;

195.30 (4) grants and gifts intended for deposit in the account;

195.31 (5) interest, premiums, gains, and other earnings of the account; and

195.32 (6) money from any other source that is deposited in or transferred to the account.

196.1 (c) The account shall be administered by the commissioner. Money in the account shall  
196.2 only be used to offset costs that are or may reasonably be attributed to:

196.3 (1) implementing, maintaining, and improving the 988 suicide and crisis lifeline, including  
196.4 staff and technology infrastructure enhancements needed to achieve the operational standards  
196.5 and best practices set forth by the 988 administrator and the department;

196.6 (2) data collection, reporting, participation in evaluations, public promotion, and related  
196.7 quality improvement activities as required by the 988 administrator and the department;  
196.8 and

196.9 (3) administration, oversight, and evaluation of the account.

196.10 (d) Money in the account:

196.11 (1) does not cancel at the end of any state fiscal year and is carried forward in subsequent  
196.12 state fiscal years;

196.13 (2) is not subject to transfer to any other account or fund or to transfer, assignment, or  
196.14 reassignment for any use or purpose other than the purposes specified in this subdivision;  
196.15 and

196.16 (3) is appropriated to the commissioner for the purposes specified in this subdivision.

196.17 (e) The commissioner shall submit an annual report to the legislature and to the Federal  
196.18 Communications Commission on deposits to and expenditures from the account.

196.19 Notwithstanding section 144.05, subdivision 7, the reports required under this paragraph  
196.20 do not expire.

196.21 Subd. 4. **988 telecommunications fee.** (a) In compliance with the National Suicide  
196.22 Hotline Designation Act of 2020, the commissioner shall impose a monthly statewide fee  
196.23 on each subscriber of a wireline, wireless, or IP-enabled voice service at a rate that provides  
196.24 for the robust creation, operation, and maintenance of a statewide 988 suicide prevention  
196.25 and crisis system.

196.26 (b) The commissioner shall annually recommend to the Public Utilities Commission an  
196.27 adequate and appropriate fee to implement this section. The amount of the fee must comply  
196.28 with the limits in paragraph (c). The commissioner shall provide telecommunication service  
196.29 providers and carriers a minimum of 30 days' notice of each fee change.

196.30 (c) The amount of the 988 telecommunications fee must not be more than 25 cents per  
196.31 month on or after January 1, 2024, for each consumer access line, including trunk equivalents

197.1 as designated by the commission pursuant to section 403.11, subdivision 1. The 988  
197.2 telecommunications fee must be the same for all subscribers.

197.3 (d) Each wireline, wireless, and IP-enabled voice telecommunication service provider  
197.4 shall collect the 988 telecommunications fee and transfer the amounts collected to the  
197.5 commissioner of public safety in the same manner as provided in section 403.11, subdivision  
197.6 1, paragraph (d).

197.7 (e) The commissioner of public safety shall deposit the money collected from the 988  
197.8 telecommunications fee to the 988 special revenue account established in subdivision 3.

197.9 (f) All 988 telecommunications fee revenue must be used to supplement, and not supplant,  
197.10 federal, state, and local funding for suicide prevention.

197.11 (g) The 988 telecommunications fee amount shall be adjusted as needed to provide for  
197.12 continuous operation of the lifeline centers and 988 hotline, volume increases, and  
197.13 maintenance.

197.14 (h) The commissioner shall annually report to the Federal Communications Commission  
197.15 on revenue generated by the 988 telecommunications fee.

197.16 Subd. 5. **988 fee for prepaid wireless telecommunications services.** (a) The 988  
197.17 telecommunications fee established in subdivision 4 does not apply to prepaid wireless  
197.18 telecommunications services. Prepaid wireless telecommunications services are subject to  
197.19 the prepaid wireless 988 fee established in section 403.161, subdivision 1, paragraph (c).

197.20 (b) Collection, remittance, and deposit of prepaid wireless 988 fees are governed by  
197.21 sections 403.161 and 403.162.

197.22 Subd. 6. **Biennial budget; annual financial report.** The commissioner must prepare a  
197.23 biennial budget for maintaining the 988 system. By December 15 of each year, the  
197.24 commissioner must submit a report to the legislature detailing the expenditures for  
197.25 maintaining the 988 system, the 988 fees collected, the balance of the 988 fund, the  
197.26 988-related administrative expenses, and the most recent forecast of revenues and  
197.27 expenditures for the 988 special revenue account, including a separate projection of 988  
197.28 fees from prepaid wireless customers and projections of year-end fund balances.

197.29 Subd. 7. **Waiver.** A wireless telecommunications service provider or wire-line  
197.30 telecommunications service provider may petition the commissioner for a waiver of all or  
197.31 portions of the requirements of this section. The commissioner may grant a waiver upon a  
197.32 demonstration by the petitioner that the requirement is economically infeasible.

198.1 Sec. 62. Minnesota Statutes 2022, section 145.87, subdivision 4, is amended to read:

198.2 Subd. 4. ~~Administrative costs~~ Administration. The commissioner may use up to seven  
198.3 percent of the annual appropriation under this section to provide training and technical  
198.4 assistance and to administer and evaluate the program. The commissioner may contract for  
198.5 training, capacity-building support for grantees or potential grantees, technical assistance,  
198.6 and evaluation support.

198.7 Sec. 63. [145.9011] FETAL AND INFANT DEATH STUDIES.

198.8 Subdivision 1. Purpose. (a) The commissioner of health may conduct fetal and infant  
198.9 death studies to assist the planning, implementation, and evaluation of medical, health, and  
198.10 social service systems, and to reduce the number of preventable fetal and infant deaths in  
198.11 Minnesota.

198.12 (b) Notwithstanding any other law or policy to the contrary, the fetal and infant mortality  
198.13 review committee must not expire.

198.14 Subd. 2. Access to data. (a) For purposes of this section, the subject of the data is defined  
198.15 as any of the following:

198.16 (1) a live born infant that died within the first year of life;

198.17 (2) a fetal death which meets the criteria required for reporting as defined in section  
198.18 144.222; or

198.19 (3) the biological mother of an infant as defined in clause (1) or of a fetal death as defined  
198.20 in clause (2).

198.21 (b) To conduct fetal and infant death studies, the commissioner of health must have  
198.22 access to:

198.23 (1) medical data as defined in section 13.384, subdivision 1, paragraph (b); medical  
198.24 examiner data as defined in section 13.83, subdivision 1; and health records created,  
198.25 maintained, or stored by providers as defined in section 144.291, subdivision 2, paragraph  
198.26 (i), on the subject of the data;

198.27 (2) data on health and social support services, such as, but not limited to, family home  
198.28 visiting programs, the women, infants, and children (WIC) program, as well as access to  
198.29 prescription monitoring programs data, and data on behavioral health services, on the subject  
198.30 of the data;

199.1 (3) the name of a health care provider that provided prenatal, postpartum, pediatric, and  
199.2 other health services to the subject of the data, which must be provided by a coroner or  
199.3 medical examiner; and

199.4 (4) Department of Human Services and other state agency data to identify and receive  
199.5 information on the types and nature of other sources of care and social support received by  
199.6 the subject of the data, and parents and guardians of the subject of the data, to assist with  
199.7 evaluation of social service systems.

199.8 (c) When necessary to conduct a fetal and infant death study, the commissioner must  
199.9 have access to:

199.10 (1) data described in this subdivision relevant to fetal and infant death studies from  
199.11 before, during, and after pregnancy or birth for the subject of the data; and

199.12 (2) law enforcement reports or incident reports related to the subject of the data and  
199.13 must receive the reports when requested from law enforcement.

199.14 (d) The commissioner does not have access to coroner or medical examiner data that  
199.15 are part of an active investigation as described in section 13.83.

199.16 (e) The commissioner must have access to all data described within this section without  
199.17 the consent of the subject of the data and without the consent of the parent, other guardian,  
199.18 or legal representative of the subject of the data. The commissioner has access to the data  
199.19 in this subdivision to study fetal or infant deaths that occur on or after July 1, 2021.

199.20 (f) The commissioner must make a good faith reasonable effort to notify the subject of  
199.21 the data, parent, spouse, other guardian, or legal representative of the subject of the data  
199.22 before collecting data on the subject of the data. For purposes of this paragraph, "reasonable  
199.23 effort" means one notice is sent by certified mail to the last known address of the subject  
199.24 of the data, parent, spouse, other guardian, or legal representative informing of the data  
199.25 collection and offering a public health nurse support visit if desired.

199.26 Subd. 3. **Management of records.** After the commissioner has collected all data about  
199.27 the subject of a fetal or infant death study necessary to perform the study, the data extracted  
199.28 from source records obtained under subdivision 2, other than data identifying the subject  
199.29 of the data, must be transferred to separate records that must be maintained by the  
199.30 commissioner. Notwithstanding section 138.17, after the data have been transferred, all  
199.31 source records obtained under subdivision 2 that are possessed by the commissioner must  
199.32 be destroyed.

200.1 Subd. 4. **Classification of data.** (a) Data provided to the commissioner from source  
200.2 records under subdivision 2, including identifying information on individual providers,  
200.3 subjects of the data, their family, or guardians, and data derived by the commissioner under  
200.4 subdivision 3 for the purpose of carrying out fetal or infant death studies, are classified as  
200.5 confidential data on individuals or confidential data on decedents, as defined in sections  
200.6 13.02, subdivision 3, and 13.10, subdivision 1, paragraph (a).

200.7 (b) Data classified under subdivision 4, paragraph (a), must not be subject to discovery  
200.8 or introduction into evidence in any administrative, civil, or criminal proceeding. Such  
200.9 information otherwise available from an original source must not be immune from discovery  
200.10 or barred from introduction into evidence merely because it was utilized by the commissioner  
200.11 in carrying out fetal or infant death studies.

200.12 (c) Summary data on fetal and infant death studies created by the commissioner, which  
200.13 does not identify individual subjects of the data, their families, guardians, or individual  
200.14 providers, must be public in accordance with section 13.05, subdivision 7.

200.15 (d) Data provided by the commissioner of human services or other state agency to the  
200.16 commissioner of health under this section retains the same classification as the data held  
200.17 when retained by the commissioner of human services, as required under section 13.03,  
200.18 subdivision 4, paragraph (c).

200.19 Subd. 5. **Fetal and infant mortality reviews.** (a) The commissioner of health must  
200.20 convene case review committees to conduct death study reviews, make recommendations,  
200.21 and publicly share summary information, especially for and about racial and ethnic groups,  
200.22 including American Indians and African Americans, that experience significantly disparate  
200.23 rates of fetal and infant mortality.

200.24 (b) The case review committees may include, but are not limited to, medical examiners  
200.25 or coroners, representative from health care institutions that provide care to pregnant people  
200.26 and infants, obstetric and pediatric practitioners, Medicaid representatives, state agency  
200.27 women and infant program representatives, and individuals from the communities that  
200.28 experience disparate rates of fetal and infant deaths, and other subject matter experts as  
200.29 necessary.

200.30 (c) The case review committees will review data from source records obtained under  
200.31 subdivision 2, other than data identifying the subject, the subject's family, or guardians, or  
200.32 the provider involved in the care of the subject.

200.33 (d) A person attending a fetal and infant mortality review committee meeting must not  
200.34 disclose what transpired at the meeting, except as necessary to carry out the purposes of the



201.1 review committee. The proceedings and records of the review committee are protected  
201.2 nonpublic data as defined in section 13.02, subdivision 13. Discovery and introduction into  
201.3 evidence in legal proceedings of case review committee proceedings and records, and  
201.4 testimony in legal proceedings by review committee members and persons presenting  
201.5 information to the review committee, must occur in compliance with the requirements in  
201.6 section 256.01, subdivision 12, paragraph (e).

201.7 (e) Every three years beginning December 1, 2024, the case review committees will  
201.8 provide findings and recommendations to the Maternal and Child Health Advisory Task  
201.9 Force and the commissioner from the committee's review of fetal and infant deaths and  
201.10 provide specific recommendations designed to reduce population-based disparities in fetal  
201.11 and infant deaths.

201.12 (f) This paragraph must govern case review committee member compensation and  
201.13 expense reimbursement, notwithstanding any other law or policy to the contrary. Members  
201.14 of the case review committee must be compensated by the commissioner of health for actual  
201.15 time spent in work on case reviews at a per diem rate established by the commissioner of  
201.16 health according to funding availability. Compensable time includes preparation for case  
201.17 reviews, time spent on collaborative review, including subcommittee meetings, committee  
201.18 meetings, and other preparation work for the committee review as identified by the  
201.19 commissioner of health. Members must also be reimbursed for expenses in the same manner  
201.20 and amount as provided in the Department of Management and Budget's commissioner's  
201.21 plan under section 43A.18, subdivision 2. To receive compensation or reimbursement,  
201.22 committee members must invoice the Department of Health on an invoice form provided  
201.23 by the commissioner.

201.24 Sec. 64. **[145.903] SCHOOL-BASED HEALTH CENTERS.**

201.25 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
201.26 the meanings given.

201.27 (b) "School-based health center" or "comprehensive school-based health center" means  
201.28 a safety net health care delivery model that is located in or near a school facility and that  
201.29 offers comprehensive health care, including preventive and behavioral health services,  
201.30 provided by licensed and qualified health professionals in accordance with federal, state,  
201.31 and local law. When not located on school property, the school-based health center must  
201.32 have an established relationship with one or more schools in the community and operate to  
201.33 primarily serve those student groups.

202.1 (c) "Sponsoring organization" means any of the following that operate a school-based  
202.2 health center:

202.3 (1) health care providers;

202.4 (2) community clinics;

202.5 (3) hospitals;

202.6 (4) federally qualified health centers and look-alikes as defined in section 145.9269;

202.7 (5) health care foundations or nonprofit organizations;

202.8 (6) higher education institutions; or

202.9 (7) local health departments.

202.10 Subd. 2. **Expansion of Minnesota school-based health centers.** (a) The commissioner  
202.11 of health shall administer a program to provide grants to school districts and school-based  
202.12 health centers to support existing centers and facilitate the growth of school-based health  
202.13 centers in Minnesota.

202.14 (b) Grant funds distributed under this subdivision shall be used to support new or existing  
202.15 school-based health centers that:

202.16 (1) operate in partnership with a school or school district and with the permission of the  
202.17 school or school district board;

202.18 (2) provide health services through a sponsoring organization that meets the requirements  
202.19 in subdivision 1, paragraph (c); and

202.20 (3) provide health services to all students and youth within a school or school district,  
202.21 regardless of ability to pay, insurance coverage, or immigration status, and in accordance  
202.22 with federal, state, and local law.

202.23 (c) The commissioner of health shall administer a grant to a nonprofit organization to  
202.24 facilitate a community of practice among school-based health centers to improve quality,  
202.25 equity, and sustainability of care delivered through school-based health centers; encourage  
202.26 cross-sharing among school-based health centers; support existing clinics; and expand  
202.27 school-based health centers in new communities in Minnesota.

202.28 (d) Grant recipients shall report their activities and annual performance measures as  
202.29 defined by the commissioner in a format and time specified by the commissioner.

203.1 (e) The commissioners of health and of education shall coordinate the projects and  
203.2 initiatives funded under this section with other efforts at the local, state, or national level  
203.3 to avoid duplication and promote coordinated efforts.

203.4 **Subd. 3. School-based health center services.** (a) Services provided by a school-based  
203.5 health center may include but are not limited to:

203.6 (1) preventive health care;

203.7 (2) chronic medical condition management, including diabetes and asthma care;

203.8 (3) mental health care and crisis management;

203.9 (4) acute care for illness and injury;

203.10 (5) oral health care;

203.11 (6) vision care;

203.12 (7) nutritional counseling;

203.13 (8) substance abuse counseling;

203.14 (9) referral to a specialist, medical home, or hospital for care;

203.15 (10) additional services that address social determinants of health; and

203.16 (11) emerging services such as mobile health and telehealth.

203.17 (b) Services provided by a school-based health center must not replace the daily student  
203.18 support provided in the school by educational student service providers, including but not  
203.19 limited to licensed school nurses, educational psychologists, school social workers, and  
203.20 school counselors.

203.21 **Subd. 4. Sponsoring organizations.** A sponsoring organization that agrees to operate  
203.22 a school-based health center must enter into a memorandum of agreement with the school  
203.23 or school district. The memorandum of agreement must require the sponsoring organization  
203.24 to be financially responsible for the operation of school-based health centers in the school  
203.25 or school district and must identify the costs that are the responsibility of the school or  
203.26 school district, such as Internet access, custodial services, utilities, and facility maintenance.  
203.27 To the greatest extent possible, a sponsoring organization must bill private insurers, medical  
203.28 assistance, and other public programs for services provided in the school-based health  
203.29 centers in order to maintain the financial sustainability of school-based health centers.

204.1 Sec. 65. Minnesota Statutes 2022, section 145.924, is amended to read:

204.2 **145.924 AIDS HIV PREVENTION GRANTS.**

204.3 (a) The commissioner may award grants to community health boards as defined in section  
 204.4 145A.02, subdivision 5, state agencies, state councils, or nonprofit corporations to provide  
 204.5 evaluation and counseling services to populations at risk for acquiring human  
 204.6 immunodeficiency virus infection, including, but not limited to, ~~minorities~~ communities of  
 204.7 color, adolescents, ~~intravenous drug users~~ women, people who inject drugs, and ~~homosexual~~  
 204.8 ~~men~~ gay, bisexual, and transgender individuals.

204.9 (b) The commissioner may award grants to agencies experienced in providing services  
 204.10 to communities of color, for the design of innovative outreach and education programs for  
 204.11 targeted groups within the community who may be at risk of acquiring the human  
 204.12 immunodeficiency virus infection, including ~~intravenous drug users~~ people who inject drugs  
 204.13 and their partners, adolescents, women, and gay and, bisexual, and transgender individuals  
 204.14 ~~and women~~. Grants shall be awarded on a request for proposal basis and shall include funds  
 204.15 for administrative costs. Priority for grants shall be given to agencies or organizations that  
 204.16 have experience in providing service to the particular community which the grantee proposes  
 204.17 to serve; that have policy makers representative of the targeted population; that have  
 204.18 experience in dealing with issues relating to HIV/AIDS; and that have the capacity to deal  
 204.19 effectively with persons of differing sexual orientations. For purposes of this paragraph,  
 204.20 the "communities of color" are: the American-Indian community; the Hispanic community;  
 204.21 the African-American community; and the Asian-Pacific Islander community.

204.22 (c) All state grants awarded under this section for programs targeted to adolescents shall  
 204.23 include the promotion of abstinence from sexual activity and drug use.

204.24 (d) The commissioner shall administer a grant program to provide funds to organizations,  
 204.25 including Tribal health agencies, to assist with HIV outbreaks.

204.26 Sec. 66. **[145.9275] SKIN-LIGHTENING PRODUCTS PUBLIC AWARENESS AND**  
 204.27 **EDUCATION GRANT PROGRAM.**

204.28 Subdivision 1. Grant program. The commissioner of health shall award grants through  
 204.29 a request for proposal process to community-based organizations that serve ethnic  
 204.30 communities and focus on public health outreach to Black and people of color communities  
 204.31 on the issues of colorism, skin-lightening products, and chemical exposures from these  
 204.32 products. Priority in awarding grants shall be given to organizations that have historically

205.1 provided services to ethnic communities on the skin-lightening and chemical exposure issue  
205.2 for the past four years.

205.3 Subd. 2. **Uses of grant funds.** Grant recipients must use grant funds awarded under this  
205.4 section to conduct public awareness and education activities that are culturally specific and  
205.5 community-based and that focus on:

205.6 (1) increasing public awareness and providing education on the health dangers associated  
205.7 with using skin-lightening creams and products that contain mercury and hydroquinone and  
205.8 are manufactured in other countries, brought into this country, and sold illegally online or  
205.9 in stores; the dangers of exposure to mercury through dermal absorption, inhalation,  
205.10 hand-to-mouth contact, and contact with individuals who have used these skin-lightening  
205.11 products; the health effects of mercury poisoning, including the permanent effects on the  
205.12 central nervous system and kidneys; and the dangers to mothers and infants from using  
205.13 these products or being exposed to these products during pregnancy and while breastfeeding;

205.14 (2) identifying products that contain mercury and hydroquinone by testing skin-lightening  
205.15 products;

205.16 (3) developing a train-the-trainer curriculum to increase community knowledge and  
205.17 influence behavior changes by training community leaders, cultural brokers, community  
205.18 health workers, and educators;

205.19 (4) continuing to build the self-esteem and overall wellness of young people who are  
205.20 using skin-lightening products or are at risk of starting the practice of skin lightening; and

205.21 (5) building the capacity of community-based organizations to continue to combat  
205.22 skin-lightening practices and chemical exposure.

205.23 Sec. 67. **[145.9571] HEALTHY BEGINNINGS, HEALTHY FAMILIES ACT.**

205.24 Subdivision 1. **Purpose.** The purpose of the Healthy Beginnings, Healthy Families Act  
205.25 is to build equitable, inclusive, and culturally and linguistically responsive systems that  
205.26 ensure the health and well-being of young children and their families by supporting the  
205.27 Minnesota perinatal quality collaborative, establishing the Minnesota partnership to prevent  
205.28 infant mortality, increasing access to culturally relevant developmental and social-emotional  
205.29 screening with follow-up, and sustaining and expanding the model jail practices for children  
205.30 of incarcerated parents in Minnesota jails.

205.31 Subd. 2. **Minnesota perinatal quality collaborative.** The Minnesota perinatal quality  
205.32 collaborative is established to improve pregnancy outcomes for pregnant people and  
205.33 newborns through efforts to:

206.1 (1) advance evidence-based and evidence-informed clinics and other health service  
206.2 practices and processes through quality care review, chart audits, and continuous quality  
206.3 improvement initiatives that enable equitable outcomes;

206.4 (2) review current data, trends, and research on best practices to inform and prioritize  
206.5 quality improvement initiatives;

206.6 (3) identify methods that incorporate antiracism into individual practice and organizational  
206.7 guidelines in the delivery of perinatal health services;

206.8 (4) support quality improvement initiatives to address substance use disorders in pregnant  
206.9 people and infants with neonatal abstinence syndrome or other effects of substance use;

206.10 (5) provide a forum to discuss state-specific system and policy issues to guide quality  
206.11 improvement efforts that improve population-level perinatal outcomes;

206.12 (6) reach providers and institutions in a multidisciplinary, collaborative, and coordinated  
206.13 effort across system organizations to reinforce a continuum of care model; and

206.14 (7) support health care facilities in monitoring interventions through rapid data collection  
206.15 and applying system changes to provide improved care in perinatal health.

206.16 Subd. 3. **Eligible organizations.** The commissioner of health shall make a grant to a  
206.17 nonprofit organization to create or sustain a multidisciplinary network of representatives  
206.18 of health care systems, health care providers, academic institutions, local and state agencies,  
206.19 and community partners that will collaboratively improve pregnancy and infant outcomes  
206.20 through evidence-based, population-level quality improvement initiatives.

206.21 Subd. 4. **Grants authorized.** The commissioner shall award one grant to a nonprofit  
206.22 organization to support efforts that improve maternal and infant health outcomes aligned  
206.23 with the purpose outlined in subdivision 2. The commissioner shall give preference to a  
206.24 nonprofit organization that has the ability to provide these services throughout the state.  
206.25 The commissioner shall provide content expertise to the grant recipient to further the  
206.26 accomplishment of the purpose.

206.27 Subd. 5. **Minnesota partnership to prevent infant mortality program.** (a) The  
206.28 commissioner of health shall establish the Minnesota partnership to prevent infant mortality  
206.29 program that is a statewide partnership program to engage communities, exchange best  
206.30 practices, share summary data on infant health, and promote policies to improve birth  
206.31 outcomes and eliminate preventable infant mortality.

206.32 (b) The goal of the Minnesota partnership to prevent infant mortality program is to:

207.1 (1) build a statewide multisectoral partnership including the state government, local  
207.2 public health agencies, Tribes, private sector, and community nonprofit organizations with  
207.3 the shared goal of decreasing infant mortality rates among populations with significant  
207.4 disparities, including among Black, American Indian, other nonwhite communities, and  
207.5 rural populations;

207.6 (2) address the leading causes of poor infant health outcomes such as premature birth,  
207.7 infant sleep-related deaths, and congenital anomalies through strategies to change social  
207.8 and environmental determinants of health; and

207.9 (3) promote the development, availability, and use of data-informed, community-driven  
207.10 strategies to improve infant health outcomes.

207.11 Subd. 5a. **Grants authorized.** (a) The commissioner of health shall award grants to  
207.12 eligible applicants to convene, coordinate, and implement data-driven strategies and culturally  
207.13 relevant activities to improve infant health by reducing preterm birth, sleep-related infant  
207.14 deaths, and congenital malformations and address social and environmental determinants  
207.15 of health. Grants shall be awarded to support community nonprofit organizations, Tribal  
207.16 governments, and community health boards. In accordance with available funding, grants  
207.17 shall be noncompetitively awarded to the eleven sovereign Tribal governments if their  
207.18 respective proposals demonstrate the ability to implement programs designed to achieve  
207.19 the purposes in subdivision 2 and meet other requirements of this section. An eligible  
207.20 applicant must submit a complete application to the commissioner of health by the deadline  
207.21 established by the commissioner. The commissioner shall award all other grants competitively  
207.22 to eligible applicants in metropolitan and rural areas of the state and may consider geographic  
207.23 representation in grant awards.

207.24 (b) Grantee activities shall:

207.25 (1) address the leading cause or causes of infant mortality;

207.26 (2) be based on community input;

207.27 (3) focus on policy, systems, and environmental changes that support infant health; and

207.28 (4) address the health disparities and inequities that are experienced in the grantee's  
207.29 community.

207.30 (c) The commissioner shall review each application to determine whether the application  
207.31 is complete and whether the applicant and the project are eligible for a grant. In evaluating  
207.32 applications according to subdivision 2, the commissioner shall establish criteria including  
207.33 but not limited to: the eligibility of the applicant's project under this section; the applicant's

208.1 thoroughness and clarity in describing the infant health issues grant funds are intended to  
208.2 address; a description of the applicant's proposed project; the project's likelihood to achieve  
208.3 the grant's purposes as described in this section; a description of the population demographics  
208.4 and service area of the proposed project; and evidence of efficiencies and effectiveness  
208.5 gained through collaborative efforts.

208.6 (d) Grant recipients shall report their activities to the commissioner in a format and at  
208.7 a time specified by the commissioner.

208.8 Subd. 5b. **Technical assistance.** (a) The commissioner shall provide content expertise,  
208.9 technical expertise, training to grant recipients, and advice on data-driven strategies.

208.10 (b) For the purposes of carrying out the grant program under subdivision 5, including  
208.11 for administrative purposes, the commissioner shall award contracts to appropriate entities  
208.12 to assist in training and provide technical assistance to grantees.

208.13 (c) Contracts awarded under paragraph (b) may be used to provide technical assistance  
208.14 and training in the areas of:

208.15 (1) partnership development and capacity building;

208.16 (2) Tribal support;

208.17 (3) implementation support for specific infant health strategies;

208.18 (4) communications by convening and sharing lessons learned; and

208.19 (5) health equity.

208.20 Subd. 6. **Developmental and social-emotional screening with follow-up.** The goal of  
208.21 the developmental and social-emotional screening is to identify young children at risk for  
208.22 developmental and behavioral concerns and provide follow-up services to connect families  
208.23 and young children to appropriate community-based resources and programs. The  
208.24 commissioner of health shall work with the commissioners of human services and education  
208.25 to implement this section and promote interagency coordination with other early childhood  
208.26 programs including those that provide screening and assessment.

208.27 Subd. 6a. **Duties.** The commissioner shall:

208.28 (1) increase the awareness of developmental and social-emotional screening with  
208.29 follow-up in coordination with community and state partners;

208.30 (2) expand existing electronic screening systems to administer developmental and  
208.31 social-emotional screening to children birth to kindergarten entrance;



209.1 (3) provide screening for developmental and social-emotional delays based on current  
209.2 recommended best practices;

209.3 (4) review and share the results of the screening with the parent or guardian. Support  
209.4 families in their role as caregivers by providing anticipatory guidance around typical growth  
209.5 and development;

209.6 (5) ensure children and families are referred to and linked with appropriate  
209.7 community-based services and resources when any developmental or social-emotional  
209.8 concerns are identified through screening; and

209.9 (6) establish performance measures and collect, analyze, and share program data regarding  
209.10 population-level outcomes of developmental and social-emotional screening, referrals to  
209.11 community-based services, and follow-up services.

209.12 Subd. 6b. **Grants authorized.** The commissioner shall award grants to community-based  
209.13 organizations, community health boards, and Tribal Nations to support follow-up services  
209.14 for children with developmental or social-emotional concerns identified through screening  
209.15 in order to link children and their families to appropriate community-based services and  
209.16 resources. Grants shall also be awarded to community-based organizations to train and  
209.17 utilize cultural liaisons to help families navigate the screening and follow-up process in a  
209.18 culturally and linguistically responsive manner. The commissioner shall provide technical  
209.19 assistance, content expertise, and training to grant recipients to ensure that follow-up services  
209.20 are effectively provided.

209.21 Subd. 7. **Model jail practices for incarcerated parents.** (a) The commissioner of health  
209.22 may make special grants to counties and groups of counties to implement model jail practices  
209.23 and to county governments, Tribal governments, or nonprofit organizations in corresponding  
209.24 geographic areas to build partnerships with county jails to support children of incarcerated  
209.25 parents and their caregivers.

209.26 (b) "Model jail practices" means a set of practices that correctional administrators can  
209.27 implement to remove barriers that may prevent children from cultivating or maintaining  
209.28 relationships with their incarcerated parents during and immediately after incarceration  
209.29 without compromising safety or security of the correctional facility.

209.30 Subd. 7a. **Grants authorized; model jail practices.** (a) The commissioner of health  
209.31 shall award grants to eligible county jails to implement model jail practices and separate  
209.32 grants to county governments, Tribal governments, or nonprofit organizations in  
209.33 corresponding geographic areas to build partnerships with county jails to support children  
209.34 of incarcerated parents and their caregivers.

210.1 (b) Grantee activities include but are not limited to:

210.2 (1) parenting classes or groups;

210.3 (2) family-centered intake and assessment of inmate programs;

210.4 (3) family notification, information, and communication strategies;

210.5 (4) correctional staff training;

210.6 (5) policies and practices for family visits; and

210.7 (6) family-focused reentry planning.

210.8 (c) Grant recipients shall report their activities to the commissioner in a format and at a  
210.9 time specified by the commissioner.

210.10 Subd. 7b. **Technical assistance and oversight; model jail practices.** (a) The  
210.11 commissioner shall provide content expertise, training to grant recipients, and advice on  
210.12 evidence-based strategies, including evidence-based training to support incarcerated parents.

210.13 (b) For the purposes of carrying out the grant program under subdivision 7a, including  
210.14 for administrative purposes, the commissioner shall award contracts to appropriate entities  
210.15 to assist in training and provide technical assistance to grantees.

210.16 (c) Contracts awarded under paragraph (b) may be used to provide technical assistance  
210.17 and training in the areas of:

210.18 (1) evidence-based training for incarcerated parents;

210.19 (2) partnership building and community engagement;

210.20 (3) evaluation of process and outcomes of model jail practices; and

210.21 (4) expert guidance on reducing the harm caused to children of incarcerated parents and  
210.22 application of model jail practices.

210.23 Sec. 68. **[145.987] HEALTH EQUITY ADVISORY AND LEADERSHIP (HEAL)**  
210.24 **COUNCIL.**

210.25 Subdivision 1. **Establishment; composition of advisory council.** The commissioner  
210.26 shall establish and appoint a health equity advisory and leadership (HEAL) council to  
210.27 provide guidance to the commissioner of health regarding strengthening and improving the  
210.28 health of communities most impacted by health inequities across the state. The council shall  
210.29 consist of 18 members who will provide representation from the following groups:

210.30 (1) African American and African heritage communities;

- 211.1 (2) Asian American and Pacific Islander communities;  
 211.2 (3) Latina/o/x communities;  
 211.3 (4) American Indian communities and Tribal governments and nations;  
 211.4 (5) disability communities;  
 211.5 (6) lesbian, gay, bisexual, transgender, and queer (LGBTQ) communities; and  
 211.6 (7) representatives who reside outside the seven-county metropolitan area.

211.7 Subd. 2. **Organization and meetings.** The advisory council shall be organized and  
 211.8 administered under section 15.059. Meetings shall be held at least quarterly and hosted by  
 211.9 the department. Subcommittees may be convened as necessary. Advisory council meetings  
 211.10 are subject to the open meeting law under chapter 13D.

211.11 Subd. 3. **Duties.** The advisory council shall:

211.12 (1) advise the commissioner on health equity issues and the health equity priorities and  
 211.13 concerns of the populations specified in subdivision 1;

211.14 (2) assist the agency in efforts to advance health equity, including consulting in specific  
 211.15 agency policies and programs, providing ideas and input about potential budget and policy  
 211.16 proposals, and recommending review of agency policies, standards, or procedures that may  
 211.17 create or perpetuate health inequities; and

211.18 (3) assist the agency in developing and monitoring meaningful performance measures  
 211.19 related to advancing health equity.

211.20 Subd. 4. **Expiration.** The advisory council shall remain in existence until health inequities  
 211.21 in the state are eliminated. Health inequities will be considered eliminated when race,  
 211.22 ethnicity, income, gender, gender identity, geographic location, or other identity or social  
 211.23 marker will no longer be predictors of health outcomes in the state. Section 145.928 describes  
 211.24 nine health disparities that must be considered when determining whether health inequities  
 211.25 have been eliminated in the state.

211.26 Sec. 69. **[145.988] COMPREHENSIVE AND COLLABORATIVE RESOURCE AND**  
 211.27 **REFERRAL SYSTEM FOR CHILDREN.**

211.28 Subdivision 1. **Establishment; purpose.** The commissioner shall establish the  
 211.29 Comprehensive and Collaborative Resource and Referral System for Children to support a  
 211.30 comprehensive, collaborative resource and referral system for children from prenatal stage

212.1 through age eight and their families. The commissioner of health shall work collaboratively  
 212.2 with the commissioners of human services and education to implement this section.

212.3 Subd. 2. **Duties.** (a) The Help Me Connect system shall facilitate collaboration across  
 212.4 sectors, including child health, early learning and education, child welfare, and family  
 212.5 supports by:

212.6 (1) providing early childhood provider outreach to support knowledge of and access to  
 212.7 local resources that provide early detection and intervention services;

212.8 (2) identifying and providing access to early childhood and family support navigation  
 212.9 specialists that can support families and their children's needs; and

212.10 (3) linking children and families to appropriate community-based services.

212.11 (b) The Help Me Connect system shall provide community outreach that includes support  
 212.12 for, and participation in, the Help Me Connect system, including disseminating information  
 212.13 on the system and compiling and maintaining a current resource directory that includes but  
 212.14 is not limited to primary and specialty medical care providers, early childhood education  
 212.15 and child care programs, developmental disabilities assessment and intervention programs,  
 212.16 mental health services, family and social support programs, child advocacy and legal services,  
 212.17 public health services and resources, and other appropriate early childhood information.

212.18 (c) The Help Me Connect system shall maintain a centralized access point for parents  
 212.19 and professionals to obtain information, resources, and other support services.

212.20 (d) The Help Me Connect system shall collect data to increase understanding of the  
 212.21 current and ongoing system of support and resources for expectant families and children  
 212.22 through age eight and their families, including identification of gaps in service, barriers to  
 212.23 finding and receiving appropriate services, and lack of resources.

212.24 Sec. 70. Minnesota Statutes 2022, section 145A.131, subdivision 1, is amended to read:

212.25 **Subdivision 1. Funding formula for community health boards.** (a) Base funding for  
 212.26 each community health board eligible for a local public health grant under section 145A.03,  
 212.27 subdivision 7, shall be determined by each community health board's fiscal year 2003  
 212.28 allocations, prior to unallotment, for the following grant programs: community health  
 212.29 services subsidy; state and federal maternal and child health special projects grants; family  
 212.30 home visiting grants; TANF MN ENABL grants; TANF youth risk behavior grants; and  
 212.31 available women, infants, and children grant funds in fiscal year 2003, prior to unallotment,  
 212.32 distributed based on the proportion of WIC participants served in fiscal year 2003 within  
 212.33 the CHS service area.

213.1 (b) Base funding for a community health board eligible for a local public health grant  
213.2 under section 145A.03, subdivision 7, as determined in paragraph (a), shall be adjusted by  
213.3 the percentage difference between the base, as calculated in paragraph (a), and the funding  
213.4 available for the local public health grant.

213.5 (c) Multicounty or multicity community health boards shall receive a local partnership  
213.6 base of up to \$5,000 per year for each county or city in the case of a multicity community  
213.7 health board included in the community health board.

213.8 (d) The State Community Health Advisory Committee may recommend a formula to  
213.9 the commissioner to use in distributing funds to community health boards.

213.10 (e) Notwithstanding any adjustment in paragraph (b), community health boards, all or  
213.11 a portion of which are located outside of the counties of Anoka, Chisago, Carver, Dakota,  
213.12 Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, and Wright, are eligible to receive  
213.13 an increase equal to ten percent of the grant award to the community health board under  
213.14 paragraph (a) starting July 1, 2015. The increase in calendar year 2015 shall be prorated for  
213.15 the last six months of the year. For calendar years beginning on or after January 1, 2016,  
213.16 the amount distributed under this paragraph shall be adjusted each year based on available  
213.17 funding and the number of eligible community health boards.

213.18 (f) Funding for foundational public health responsibilities will be distributed based on  
213.19 a formula determined by the Commissioner in consultation with the State Community Health  
213.20 Services Advisory Committee. These funds must be used as described in subdivision 5.

213.21 Sec. 71. Minnesota Statutes 2022, section 145A.131, subdivision 2, is amended to read:

213.22 Subd. 2. **Local match.** (a) A community health board that receives a local public health  
213.23 grant shall provide at least a 75 percent match for the state funds received through the local  
213.24 public health grant described in subdivision 1 and subject to paragraphs (b) to ~~(d)~~ (f).

213.25 (b) Eligible funds must be used to meet match requirements. Eligible funds include funds  
213.26 from local property taxes, reimbursements from third parties, fees, other local funds, and  
213.27 donations or nonfederal grants that are used for community health services described in  
213.28 section 145A.02, subdivision 6.

213.29 (c) When the amount of local matching funds for a community health board is less than  
213.30 the amount required under paragraph (a), the local public health grant provided for that  
213.31 community health board under this section shall be reduced proportionally.

214.1 (d) A city organized under the provision of sections 145A.03 to 145A.131 that levies a  
214.2 tax for provision of community health services is exempt from any county levy for the same  
214.3 services to the extent of the levy imposed by the city.

214.4 Sec. 72. Minnesota Statutes 2022, section 145A.131, subdivision 5, is amended to read:

214.5 Subd. 5. **Use of funds.** (a) Community health boards may use the base funding of their  
214.6 local public health grant funds as described in subdivision 1, paragraphs (a) to (e) to address  
214.7 the areas of public health responsibility and local priorities developed through the community  
214.8 health assessment and community health improvement planning process.

214.9 (b) Except as otherwise provided in this paragraph, funding for foundational public  
214.10 health responsibilities as described in subdivision 1, paragraph (f), must be used to fulfill  
214.11 foundational public health responsibilities as defined by the commissioner in consultation  
214.12 with the state community health service advisory committee. If a community health board  
214.13 can demonstrate foundational public health responsibilities are fulfilled, the board may use  
214.14 funds for local priorities developed through the community health assessment and community  
214.15 health improvement planning process.

214.16 Sec. 73. Minnesota Statutes 2022, section 145A.14, is amended by adding a subdivision  
214.17 to read:

214.18 **Subd. 2b. Grants to tribes.** The commissioner must distribute grants to Tribal  
214.19 governments for foundational public health responsibilities as defined by each Tribal  
214.20 government.

214.21 Sec. 74. Minnesota Statutes 2022, section 256B.0625, subdivision 49, is amended to read:

214.22 Subd. 49. **Community health worker.** (a) Medical assistance covers the care  
214.23 coordination and patient education services provided by a community health worker if the  
214.24 community health worker has received a certificate from the Minnesota State Colleges and  
214.25 Universities System approved community health worker curriculum.

214.26 (b) Community health workers must work under the supervision of a medical assistance  
214.27 enrolled physician, registered nurse, advanced practice registered nurse, physician assistant,  
214.28 mental health professional, or dentist, or work under the supervision of a certified public  
214.29 health nurse operating under the direct authority of an enrolled unit of government.

214.30 (c) Effective January 1, 2026, community health workers who are eligible for payment  
214.31 under this subdivision who are providing care coordination or patient education services in  
214.32 an adult day care, respite care, or in-home care setting must complete a training program

215.1 in Alzheimer's disease and dementia care that has been developed or approved by the  
215.2 commissioner of health, in accordance with section 144.6504, to remain eligible for payment.

215.3 ~~(e)~~ (d) Care coordination and patient education services covered under this subdivision  
215.4 include, but are not limited to, services relating to oral health and dental care.

215.5 Sec. 75. Minnesota Statutes 2022, section 259.83, subdivision 1, is amended to read:

215.6 Subdivision 1. **Services provided.** (a) Agencies shall provide assistance and counseling  
215.7 services upon receiving a request for current information from adoptive parents, birth parents,  
215.8 or adopted persons aged ~~19~~ 18 years of age and ~~over~~ older. The agency shall contact the  
215.9 other adult persons or the adoptive parents of a minor child in a personal and confidential  
215.10 manner to determine whether there is a desire to receive or share information or to have  
215.11 contact. If there is such a desire, the agency shall provide the services requested. The agency  
215.12 shall provide services to adult genetic siblings if there is no known violation of the  
215.13 confidentiality of a birth parent or if the birth parent gives written consent.

215.14 (b) Upon a request for assistance or services from an adoptive parent, birth parent, or  
215.15 an adopted person 18 years of age or older, the agency must inform the person:

215.16 (1) about the right of an adopted person to request and obtain a copy of the adopted  
215.17 person's original birth record at the age and circumstances specified in section 144.2253;  
215.18 and

215.19 (2) about the right of the birth parent named on the adopted person's original birth record  
215.20 to file a contact preference form with the state registrar pursuant to section 144.2253.

215.21 In adoptive placements, the agency must provide in writing to the birth parents listed on  
215.22 the original birth record the information required under this section.

215.23 **EFFECTIVE DATE.** This section is effective July 1, 2024.

215.24 Sec. 76. Minnesota Statutes 2022, section 259.83, subdivision 1a, is amended to read:

215.25 Subd. 1a. **Social and medical history.** (a) If a person aged ~~19~~ 18 years of age and ~~over~~  
215.26 older who was adopted on or after August 1, 1994, or the adoptive parent requests the  
215.27 detailed nonidentifying social and medical history of the adopted person's birth family that  
215.28 was provided at the time of the adoption, agencies must provide the information to the  
215.29 adopted person or adoptive parent on the applicable form required under sections 259.43  
215.30 and 260C.212, subdivision 15.

216.1 (b) If an adopted person aged ~~19~~ 18 years of age and ~~over~~ older or the adoptive parent  
216.2 requests the agency to contact the adopted person's birth parents to request current  
216.3 nonidentifying social and medical history of the adopted person's birth family, agencies  
216.4 must use the applicable form required under sections 259.43 and 260C.212, subdivision 15,  
216.5 when obtaining the information for the adopted person or adoptive parent.

216.6 **EFFECTIVE DATE.** This section is effective July 1, 2024.

216.7 Sec. 77. Minnesota Statutes 2022, section 259.83, subdivision 1b, is amended to read:

216.8 Subd. 1b. **Genetic siblings.** (a) A person who is at least ~~19~~ 18 years ~~old~~ of age who was  
216.9 adopted or, because of a termination of parental rights, was committed to the guardianship  
216.10 of the commissioner of human services, whether adopted or not, must upon request be  
216.11 advised of other siblings who were adopted or who were committed to the guardianship of  
216.12 the commissioner of human services and not adopted.

216.13 (b) Assistance must be provided by the county or placing agency of the person requesting  
216.14 information to the extent that information is available in the existing records at the  
216.15 Department of Human Services. If the sibling received services from another agency, the  
216.16 agencies must share necessary information in order to locate the other siblings and to offer  
216.17 services, as requested. Upon the determination that parental rights with respect to another  
216.18 sibling were terminated, identifying information and contact must be provided only upon  
216.19 mutual consent. A reasonable fee may be imposed by the county or placing agency.

216.20 **EFFECTIVE DATE.** This section is effective July 1, 2024.

216.21 Sec. 78. Minnesota Statutes 2022, section 259.83, is amended by adding a subdivision to  
216.22 read:

216.23 Subd. 3a. **Birth parent identifying information.** (a) This subdivision applies to adoptive  
216.24 placements where an adopted person does not have a record of live birth registered in this  
216.25 state. Upon written request by an adopted person 18 years of age or older, the agency  
216.26 responsible for or supervising the placement must provide to the requester the following  
216.27 identifying information related to the birth parents listed on that adopted person's original  
216.28 birth record:

216.29 (1) each of the birth parent's names; and

216.30 (2) each of the birth parent's birthdate and birthplace.

216.31 (b) The agency may charge a reasonable fee to the requester for providing the required  
216.32 information under paragraph (a).



217.1 (c) The agency, acting in good faith and in a lawful manner in disclosing the identifying  
217.2 information under this subdivision, is not civilly liable for such disclosure.

217.3 **EFFECTIVE DATE.** This section is effective July 1, 2024.

217.4 Sec. 79. Minnesota Statutes 2022, section 260C.317, subdivision 4, is amended to read:

217.5 Subd. 4. **Rights of terminated parent.** (a) Upon entry of an order terminating the  
217.6 parental rights of any person who is identified as a parent on the original birth record of the  
217.7 child as to whom the parental rights are terminated, the court shall cause written notice to  
217.8 be made to that person setting forth:

217.9 ~~(1) the right of the person to file at any time with the state registrar of vital records a~~  
217.10 ~~consent to disclosure, as defined in section 144.212, subdivision 11;~~

217.11 ~~(2) the right of the person to file at any time with the state registrar of vital records an~~  
217.12 ~~affidavit stating that the information on the original birth record shall not be disclosed as~~  
217.13 ~~provided in section 144.2252; and a contact preference form under section 144.2253.~~

217.14 ~~(3) the effect of a failure to file either a consent to disclosure, as defined in section~~  
217.15 ~~144.212, subdivision 11, or an affidavit stating that the information on the original birth~~  
217.16 ~~record shall not be disclosed.~~

217.17 (b) A parent whose rights are terminated under this section shall retain the ability to  
217.18 enter into a contact or communication agreement under section 260C.619 if an agreement  
217.19 is determined by the court to be in the best interests of the child. The agreement shall be  
217.20 filed with the court at or prior to the time the child is adopted. An order for termination of  
217.21 parental rights shall not be conditioned on an agreement under section 260C.619.

217.22 **EFFECTIVE DATE.** This section is effective July 1, 2024.

217.23 Sec. 80. Minnesota Statutes 2022, section 403.161, subdivision 1, is amended to read:

217.24 Subdivision 1. **Fees imposed.** (a) A prepaid wireless E911 fee of 80 cents per retail  
217.25 transaction is imposed on prepaid wireless telecommunications service until the fee is  
217.26 adjusted as an amount per retail transaction under subdivision 7.

217.27 (b) A prepaid wireless telecommunications access Minnesota fee, in the amount of the  
217.28 monthly charge provided for in section 237.52, subdivision 2, is imposed on each retail  
217.29 transaction for prepaid wireless telecommunications service until the fee is adjusted as an  
217.30 amount per retail transaction under subdivision 7.

218.1 (c) A prepaid wireless 988 fee, in the amount of the monthly charge provided for in  
218.2 section 145.561, subdivision 4, paragraph (b), is imposed on each retail transaction for  
218.3 prepaid wireless telecommunications service until the fee is adjusted as an amount per retail  
218.4 transaction under subdivision 7.

218.5 Sec. 81. Minnesota Statutes 2022, section 403.161, subdivision 3, is amended to read:

218.6 Subd. 3. **Fee collected.** The prepaid wireless E911 ~~and~~, telecommunications access  
218.7 Minnesota, and 988 fees must be collected by the seller from the consumer for each retail  
218.8 transaction occurring in this state. The amount of each fee must be combined into one  
218.9 amount, which must be separately stated on an invoice, receipt, or other similar document  
218.10 that is provided to the consumer by the seller.

218.11 Sec. 82. Minnesota Statutes 2022, section 403.161, subdivision 5, is amended to read:

218.12 Subd. 5. **Remittance.** The prepaid wireless E911 ~~and~~, telecommunications access  
218.13 Minnesota, and 988 fees are the liability of the consumer and not of the seller or of any  
218.14 provider, except that the seller is liable to remit all fees as provided in section 403.162.

218.15 Sec. 83. Minnesota Statutes 2022, section 403.161, subdivision 6, is amended to read:

218.16 Subd. 6. **Exclusion for calculating other charges.** The combined amount of the prepaid  
218.17 wireless E911 ~~and~~, telecommunications access Minnesota, and 988 fees collected by a seller  
218.18 from a consumer must not be included in the base for measuring any tax, fee, surcharge, or  
218.19 other charge that is imposed by this state, any political subdivision of this state, or any  
218.20 intergovernmental agency.

218.21 Sec. 84. Minnesota Statutes 2022, section 403.161, subdivision 7, is amended to read:

218.22 Subd. 7. **Fee changes.** (a) The prepaid wireless E911 ~~and~~, telecommunications access  
218.23 Minnesota fee, and 988 fees must be proportionately increased or reduced upon any change  
218.24 to the fee imposed under section 403.11, subdivision 1, paragraph (c), after July 1, 2013,  
218.25 ~~or~~ the fee imposed under section 237.52, subdivision 2, or the fee imposed under section  
218.26 145.561, subdivision 4, as applicable.

218.27 (b) The department shall post notice of any fee changes on its website at least 30 days  
218.28 in advance of the effective date of the fee changes. It is the responsibility of sellers to monitor  
218.29 the department's website for notice of fee changes.

219.1 (c) Fee changes are effective 60 days after the first day of the first calendar month after  
219.2 the commissioner of public safety or the Public Utilities Commission, as applicable, changes  
219.3 the fee.

219.4 Sec. 85. Minnesota Statutes 2022, section 403.162, subdivision 1, is amended to read:

219.5 Subdivision 1. **Remittance.** Prepaid wireless E911 ~~and~~ telecommunications access  
219.6 Minnesota, and 988 fees collected by sellers must be remitted to the commissioner of revenue  
219.7 at the times and in the manner provided by chapter 297A with respect to the general sales  
219.8 and use tax. The commissioner of revenue shall establish registration and payment procedures  
219.9 that substantially coincide with the registration and payment procedures that apply in chapter  
219.10 297A.

219.11 Sec. 86. Minnesota Statutes 2022, section 403.162, subdivision 2, is amended to read:

219.12 Subd. 2. **Seller's fee retention.** A seller may deduct and retain three percent of prepaid  
219.13 wireless E911 ~~and~~ telecommunications access Minnesota, and 988 fees collected by the  
219.14 seller from consumers.

219.15 Sec. 87. Minnesota Statutes 2022, section 403.162, subdivision 5, is amended to read:

219.16 Subd. 5. **Fees deposited.** (a) The commissioner of revenue shall, based on the relative  
219.17 proportion of the prepaid wireless E911 fee ~~and~~ the prepaid wireless telecommunications  
219.18 access Minnesota fee, and the prepaid wireless 988 fee imposed per retail transaction, divide  
219.19 the fees collected in corresponding proportions. Within 30 days of receipt of the collected  
219.20 fees, the commissioner shall:

219.21 (1) deposit the proportion of the collected fees attributable to the prepaid wireless E911  
219.22 fee in the 911 emergency telecommunications service account in the special revenue fund;  
219.23 ~~and~~

219.24 (2) deposit the proportion of collected fees attributable to the prepaid wireless  
219.25 telecommunications access Minnesota fee in the telecommunications access fund established  
219.26 in section 237.52, subdivision 1; and

219.27 (3) deposit the proportion of the collected fees attributable to the prepaid wireless 988  
219.28 fee in the 988 special revenue account established in section 145.561, subdivision 3.

219.29 (b) The commissioner of revenue may deduct and deposit in a special revenue account  
219.30 an amount not to exceed two percent of collected fees. Money in the account is annually  
219.31 appropriated to the commissioner of revenue to reimburse its direct costs of administering

220.1 the collection and remittance of prepaid wireless E911 fees ~~and~~, prepaid wireless  
220.2 telecommunications access Minnesota fees, and prepaid wireless 988 fees.

220.3 Sec. 88. Laws 2017, First Special Session chapter 6, article 5, section 11, as amended by  
220.4 Laws 2019, First Special Session chapter 9, article 8, section 20, is amended to read:

220.5 Sec. 11. **MORATORIUM ON CONVERSION TRANSACTIONS.**

220.6 (a) Notwithstanding Laws 2017, chapter 2, article 2, a nonprofit ~~health~~ service plan  
220.7 corporation operating under Minnesota Statutes, chapter 62C, or a nonprofit health  
220.8 maintenance organization operating under Minnesota Statutes, chapter 62D, as of January  
220.9 1, 2017, may only merge or consolidate with; convert; or transfer, as part of a single  
220.10 transaction or a series of transactions within a 24-month period, all or a material amount of  
220.11 its assets to an entity that is a corporation organized under Minnesota Statutes, chapter  
220.12 317A; or to a Minnesota nonprofit hospital within the same integrated health system as the  
220.13 health maintenance organization. For purposes of this section, "material amount" means  
220.14 the lesser of ten percent of such an entity's total admitted net assets as of December 31 of  
220.15 the previous year, or \$50,000,000.

220.16 (b) Paragraph (a) does not apply if the nonprofit service plan corporation or nonprofit  
220.17 health maintenance organization files an intent to dissolve due to insolvency of the  
220.18 corporation in accordance with Minnesota Statutes, chapter 317A, or insolvency proceedings  
220.19 are commenced under Minnesota Statutes, chapter 60B.

220.20 (c) Nothing in this section shall be construed to authorize a nonprofit health maintenance  
220.21 organization or a nonprofit service plan corporation to engage in any transaction or activities  
220.22 not otherwise permitted under state law.

220.23 (d) This section expires July 1, ~~2023~~ 2026.

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

220.25 Sec. 89. **MEMBERSHIP TERMS; PALLIATIVE CARE ADVISORY COUNCIL.**

220.26 Notwithstanding the terms of office specified to the members upon their appointment,  
220.27 the terms for members appointed to the Palliative Care Advisory Council under Minnesota  
220.28 Statutes, section 144.059, on or after February 1, 2022, shall be three years, as provided in  
220.29 Minnesota Statutes, section 144.059, subdivision 3.

221.1 Sec. 90. **STUDY OF THE DEVELOPMENT OF A STATEWIDE REGISTRY FOR**  
221.2 **PROVIDER ORDERS FOR LIFE-SUSTAINING TREATMENT.**

221.3 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
221.4 the meanings given.

221.5 (b) "Commissioner" means the commissioner of health.

221.6 (c) "Life-sustaining treatment" means any medical procedure, pharmaceutical drug,  
221.7 medical device, or medical intervention that maintains life by sustaining, restoring, or  
221.8 supplanting a vital function. Life-sustaining treatment does not include routine care necessary  
221.9 to sustain patient cleanliness and comfort.

221.10 (d) "POLST" means a provider order for life-sustaining treatment, signed by a physician,  
221.11 advanced practice registered nurse, or physician assistant, to ensure that the medical treatment  
221.12 preferences of a patient with an advanced serious illness who is nearing the end of the their  
221.13 life are honored.

221.14 (e) "POLST form" means a portable medical form used to communicate a physician's  
221.15 order to help ensure that a patient's medical treatment preferences are conveyed to emergency  
221.16 medical service personnel and other health care providers.

221.17 Subd. 2. **Establishment.** (a) The commissioner, in consultation with the advisory  
221.18 committee established in paragraph (c), shall develop recommendations for a statewide  
221.19 registry of POLST forms to ensure that a patient's medical treatment preferences are followed  
221.20 by all health care providers. The registry must allow for the submission of completed POLST  
221.21 forms and for the forms to be accessed by health care providers and emergency medical  
221.22 service personnel in a timely manner for the provision of care or services.

221.23 (b) The commissioner shall develop recommendations on the following:

221.24 (1) electronic capture, storage, and security of information in the registry;

221.25 (2) procedures to protect the accuracy and confidentiality of information submitted to  
221.26 the registry;

221.27 (3) limits as to who can access the registry;

221.28 (4) where the registry should be housed;

221.29 (5) ongoing funding models for the registry; and

221.30 (6) any other action needed to ensure that patients' rights are protected and that their  
221.31 health care decisions are followed.

222.1 (c) The commissioner shall create an advisory committee with members representing  
222.2 physicians, physician assistants, advanced practice registered nurses, registered nurses,  
222.3 nursing homes, emergency medical system providers, hospice and palliative care providers,  
222.4 the disability community, attorneys, medical ethicists, and the religious community.

222.5 Subd. 3. **Report.** The commissioner shall submit recommendations on establishing a  
222.6 statewide registry of POLST forms to the chairs and ranking minority members of the  
222.7 legislative committees with jurisdiction over health and human services policy and finance  
222.8 by February 1, 2024.

222.9 Sec. 91. **DIRECTION TO THE COMMISSIONER; ALZHEIMER'S PUBLIC**  
222.10 **INFORMATION PROGRAM.**

222.11 (a) The commissioner of health shall design and make publicly available materials for  
222.12 a statewide public information program that:

222.13 (1) promotes the benefits of early detection and the importance of discussing cognition  
222.14 with a health care provider;

222.15 (2) outlines the benefits of cognitive testing, the early warning signs of cognitive  
222.16 impairment, and the difference between normal cognitive aging and dementia; and

222.17 (3) provides awareness of Alzheimer's disease and other dementias.

222.18 (b) The commissioner shall include in the program materials messages directed at the  
222.19 general population, as well as messages designed to reach underserved communities including  
222.20 but not limited to rural populations, Native and Indigenous communities, and communities  
222.21 of color. The program materials shall include culturally specific messages developed in  
222.22 consultation with leaders of targeted cultural communities who have experience with  
222.23 Alzheimer's disease and other dementias. The commissioner shall develop the materials for  
222.24 the program by June 30, 2024, and make them available online to local and county public  
222.25 health agencies and other interested parties.

222.26 (c) To the extent funds remain available for this purpose, the commissioner shall  
222.27 implement an initial statewide public information campaign using the developed program  
222.28 materials. The campaign must include culturally specific messages and the development of  
222.29 a community digital public forum. These messages may be disseminated by television and  
222.30 radio public service announcements, social media and digital advertising, print materials,  
222.31 or other means.

222.32 (d) The commissioner may contract with one or more third parties to initially implement  
222.33 some or all of the public information campaign, provided the contracted third party has

223.1 prior experience promoting Alzheimer's awareness and the contract is awarded through a  
223.2 competitive process. The public information campaign must be implemented by July 1,  
223.3 2025.

223.4 (e) By June 30, 2026, the commissioner shall report to the chairs and ranking minority  
223.5 members of the legislative committees and divisions with jurisdiction over public health or  
223.6 aging on the development of the program materials and initial implementation of the public  
223.7 information campaign, including how and where the funds appropriated for this purpose  
223.8 were spent.

223.9 **Sec. 92. MORATORIUM ON GREEN BURIALS; STUDY.**

223.10 Subdivision 1. **Definition.** For purposes of this section, "green burial" means a burial  
223.11 of a dead human body in a manner that minimizes environmental impact and does not inhibit  
223.12 decomposition of the body by using practices that include at least the following:

223.13 (1) the human body is not embalmed prior to burial or is embalmed only with nontoxic  
223.14 chemicals;

223.15 (2) a biodegradable casket or shroud is used for burial; and

223.16 (3) the casket or shroud holding the human body is not placed in an outer burial container  
223.17 when buried.

223.18 Subd. 2. **Moratorium.** Between July 1, 2023, and July 1, 2025, a green burial shall not  
223.19 be performed in this state unless the green burial is performed in a cemetery that permits  
223.20 green burials and at which green burials are permitted by any applicable ordinances or  
223.21 regulations.

223.22 Subd. 3. **Study and report.** (a) The commissioner of health shall study the environmental  
223.23 and health impacts of green burials and develop recommendations for the performance of  
223.24 green burials to prevent environmental harm, including contamination of groundwater and  
223.25 surface water, and to protect the health of workers performing green burials, mourners, and  
223.26 the public. The study and recommendations may address topics that include:

223.27 (1) the siting of locations where green burials are permitted;

223.28 (2) the minimum distance a green burial location must have from groundwater, surface  
223.29 water, and drinking water;

223.30 (3) the minimum depth at which a body buried via green burial must be buried, the  
223.31 minimum soil depth below the body, and the minimum soil depth covering the body;

223.32 (4) the maximum density of green burial interments in a green burial location;

224.1 (5) procedures used by individuals who come in direct contact with a body awaiting  
224.2 green burial to minimize the risk of infectious disease transmission from the body;

224.3 (6) methods to temporarily inhibit decomposition of an unembalmed body awaiting  
224.4 green burial; and

224.5 (7) the time period within which an unembalmed body awaiting green burial must be  
224.6 buried or held in a manner that delays decomposition.

224.7 (b) The commissioner shall submit the study and recommendations, including any  
224.8 statutory changes needed to implement the recommendations, to the chairs and ranking  
224.9 minority members of the legislative committees with jurisdiction over health and the  
224.10 environment by February 1, 2025.

224.11 Sec. 93. **ADOPTION LAW CHANGES; PUBLIC AWARENESS CAMPAIGN.**

224.12 (a) The commissioner of human services must, in consultation with licensed child-placing  
224.13 agencies, provide information and educational materials to adopted persons and birth parents  
224.14 about the changes in law made by this act affecting access to birth records.

224.15 (b) The commissioner of human services must provide notice on the department's website  
224.16 about the changes in the law. The commissioner or the commissioner's designee, in  
224.17 consultation with licensed child-placement agencies, must coordinate a public awareness  
224.18 campaign to advise the public about the changes in law made by this act.

224.19 **EFFECTIVE DATE.** This section is effective August 1, 2023.

224.20 Sec. 94. **STUDY OF THE DEVELOPMENT OF A STATEWIDE REGISTRY FOR**  
224.21 **PROVIDER ORDERS FOR LIFE-SUSTAINING TREATMENT.**

224.22 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
224.23 the meanings given.

224.24 (b) "Commissioner" means the commissioner of health.

224.25 (c) "Life-sustaining treatment" means any medical procedure, pharmaceutical drug,  
224.26 medical device, or medical intervention that maintains life by sustaining, restoring, or  
224.27 supplanting a vital function. Life-sustaining treatment does not include routine care necessary  
224.28 to sustain patient cleanliness and comfort.

224.29 (d) "POLST" means a provider order for life-sustaining treatment, signed by a physician,  
224.30 advanced practice registered nurse, or physician assistant, to ensure that the medical treatment



225.1 preferences of a patient with an advanced serious illness who is nearing the end of their life  
225.2 are honored.

225.3 (e) "POLST form" means a portable medical form used to communicate a physician's  
225.4 order to help ensure that a patient's medical treatment preferences are conveyed to emergency  
225.5 medical service personnel and other health care providers.

225.6 Subd. 2. **Establishment.** (a) The commissioner, in consultation with the advisory  
225.7 committee established in paragraph (c), shall develop recommendations for a statewide  
225.8 registry of POLST forms to ensure that a patient's medical treatment preferences are followed  
225.9 by all health care providers. The registry must allow for the submission of completed POLST  
225.10 forms and for the forms to be accessed by health care providers and emergency medical  
225.11 service personnel in a timely manner for the provision of care or services.

225.12 (b) The commissioner shall develop recommendations on the following:

225.13 (1) electronic capture, storage, and security of information in the registry;

225.14 (2) procedures to protect the accuracy and confidentiality of information submitted to  
225.15 the registry;

225.16 (3) limits as to who can access the registry;

225.17 (4) where the registry should be housed;

225.18 (5) ongoing funding models for the registry; and

225.19 (6) any other action needed to ensure that patients' rights are protected and that their  
225.20 health care decisions are followed.

225.21 (c) The commissioner shall create an advisory committee with members representing  
225.22 physicians, physician assistants, advanced practice registered nurses, nursing homes,  
225.23 emergency medical system providers, hospice and palliative care providers, the disability  
225.24 community, attorneys, medical ethicists, and the religious community.

225.25 Subd. 3. **Report.** The commissioner shall submit recommendations on establishing a  
225.26 statewide registry of POLST forms to the chairs and ranking minority members of the  
225.27 legislative committees with jurisdiction over health and human services policy and finance  
225.28 by February 1, 2024.

225.29 Sec. 95. **EMMETT LOUIS TILL VICTIMS RECOVERY PROGRAM.**

225.30 Subdivision 1. **Short title.** This section shall be known as the Emmett Louis Till Victims  
225.31 Recovery Program.

226.1 Subd. 2. **Program established; grants.** (a) The commissioner of health shall establish  
226.2 the Emmett Louis Till Victims Recovery Program to address the health and wellness needs  
226.3 of:

226.4 (1) victims who experienced trauma, including historical trauma, resulting from events  
226.5 such as assault or another violent physical act, intimidation, false accusations, wrongful  
226.6 conviction, a hate crime, the violent death of a family member, or experiences of  
226.7 discrimination or oppression based on the victim's race, ethnicity, or national origin; and

226.8 (2) the families and heirs of victims described in clause (1), who experienced trauma,  
226.9 including historical trauma, because of their proximity or connection to the victim.

226.10 (b) The commissioner, in consultation with victims, families, and heirs described in  
226.11 paragraph (a), shall award competitive grants to applicants for projects to provide the  
226.12 following services to victims, families, and heirs described in paragraph (a):

226.13 (1) health and wellness services, which may include services and support to address  
226.14 physical health, mental health, cultural needs, and spiritual or faith-based needs;

226.15 (2) remembrance and legacy preservation activities;

226.16 (3) cultural awareness services;

226.17 (4) spiritual and faith-based support; and

226.18 (5) community resources and services to promote healing for victims, families, and heirs  
226.19 described in paragraph (a).

226.20 (c) In awarding grants under this section, the commissioner must prioritize grant awards  
226.21 to community-based organizations experienced in providing support and services to victims,  
226.22 families, and heirs described in paragraph (a).

226.23 Subd. 3. **Evaluation.** Grant recipients must provide the commissioner with information  
226.24 required by the commissioner to evaluate the grant program, in a time and manner specified  
226.25 by the commissioner.

226.26 Subd. 4. **Reports.** The commissioner must submit a status report by January 15, 2024,  
226.27 and an additional report by January 15, 2025, on the operation and results of the grant  
226.28 program, to the extent available. These reports must be submitted to the chairs and ranking  
226.29 minority members of the legislative committees with jurisdiction over health care. The  
226.30 report due January 15, 2024, must include information on grant program activities to date  
226.31 and an assessment of the need to continue to offer services provided by grant recipients to  
226.32 victims, families, and heirs who experienced trauma as described in subdivision 2, paragraph

227.1 (a). The report due January 15, 2025, must include a summary of the services offered by  
227.2 grant recipients; an assessment of the need to continue to offer services provided by grant  
227.3 recipients to victims, families, and heirs described in subdivision 2, paragraph (a); and an  
227.4 evaluation of the grant program's goals and outcomes.

227.5 Sec. 96. **EMPLOYEE SAFETY AND SECURITY GRANTS.**

227.6 Subdivision 1. **Establishment.** The commissioner of health must establish a competitive  
227.7 grant program for workplace safety grants for eligible health care entities to increase the  
227.8 employee safety or security. Each grant award must be for at least \$5,000, but no more than  
227.9 \$100,000.

227.10 Subd. 2. **Eligible applicants.** A health care entity located in this state is eligible to apply  
227.11 for a grant. For purposes of this section, a health care entity includes but is not limited to  
227.12 the following: health care systems, long-term care facilities, hospitals, nursing facilities,  
227.13 medical clinics, dental clinics, community health clinics, and ambulance services.

227.14 Subd. 3. **Applications.** An entity seeking a grant under this section must apply to the  
227.15 commissioner in a form and manner prescribed by the commissioner. The grant applicant,  
227.16 in its application, must include:

227.17 (1) a proposed plan for how the grant funds will be used to improve employee safety or  
227.18 security;

227.19 (2) a description of the achievable objectives the applicant plans to achieve through the  
227.20 use of the grant funds; and

227.21 (3) a process for documenting and evaluating the results achieved through the use of the  
227.22 grant funds.

227.23 Subd. 4. **Eligible uses.** Grant funds must be used for the following purposes:

227.24 (1) training for employees on self-defense;

227.25 (2) training for employees on de-escalation methods;

227.26 (3) creating and implementing a health care-based violence intervention programs  
227.27 (HBVI); or

227.28 (4) technology system improvements designed to improve employee safety or security.

227.29 Subd. 5. **Grant allocations.** For grants awarded prior to January 1, 2025, the  
227.30 commissioner must ensure that approximately 60 percent of awards are to health care entities  
227.31 in the seven-county metropolitan area and 40 percent are to health care entities outside of

228.1 the seven-county metropolitan area. If funds remain on January 1, 2025, the commissioner  
228.2 may award grants to health care entities regardless of where the entity is located.

228.3 Subd. 6. **Report.** By January 15, 2026, the commissioner of health must report to the  
228.4 legislative committees with jurisdiction over health policy and finance on the grants awarded  
228.5 by this section. The report must include the following information:

228.6 (1) the name of each grantee, the amount awarded to the grantee, and how the grantee  
228.7 used the funds; and

228.8 (2) the percentage of awards made to entities outside of the seven-county metropolitan  
228.9 area.

228.10 Sec. 97. **EQUITABLE HEALTH CARE TASK FORCE.**

228.11 Subdivision 1. **Establishment; composition of task force.** The commissioner of health  
228.12 shall establish an equitable health care task force consisting of up to 20 members from both  
228.13 metropolitan and greater Minnesota. Members must include representatives of:

228.14 (1) African American and African heritage communities;

228.15 (2) Asian American and Pacific Islander communities;

228.16 (3) Latina/o/x/ communities;

228.17 (4) American Indian communities and Tribal Nations;

228.18 (5) disability communities;

228.19 (6) lesbian, gay, bisexual, transgender, queer, intergender, and asexual (LGBTQIA+)  
228.20 communities;

228.21 (7) organizations that advocate for the rights of individuals using the health care system;

228.22 (8) health care providers of primary care and specialty care; and

228.23 (9) organizations that provide health coverage in Minnesota.

228.24 Subd. 2. **Organization and meetings.** The task force shall be organized and administered  
228.25 under Minnesota Statutes, section 15.059. Meetings shall be held at least quarterly.

228.26 Subcommittees or workgroups may be established as necessary. Task force meetings are  
228.27 subject to Minnesota Statutes, chapter 13D. The task force shall expire on June 30, 2025.

228.28 Subd. 3. **Duties of task force.** The task force shall examine inequities in how people  
228.29 access and receive health care based on race, religion, culture, sexual orientation, gender

229.1 identity, age, or disability and identify strategies to ensure that all Minnesotans can receive  
 229.2 care and coverage that is respectful and ensures optimal health outcomes, to include:

229.3 (1) identifying inequities experienced by Minnesotans in interacting with the health care  
 229.4 system that originate from or can be attributed to their race, religion, culture, sexual  
 229.5 orientation, gender identity, age, or disability status;

229.6 (2) conducting community engagement across multiple systems, sectors, and communities  
 229.7 to identify barriers for these population groups that result in diminished standards of care  
 229.8 and foregone care;

229.9 (3) identifying promising practices to improve the experience of care and health outcomes  
 229.10 for individuals in these population groups; and

229.11 (4) making recommendations for changes in health care system practices or health  
 229.12 insurance regulations that would address identified issues.

229.13 Sec. 98. **REPEALER.**

229.14 (a) Minnesota Statutes 2022, section 144.059, subdivision 10, is repealed.

229.15 (b) Minnesota Statutes 2022, sections 144.212, subdivision 11; 259.83, subdivision 3;  
 229.16 259.89; and 260C.637, are repealed.

229.17 (c) Minnesota Statutes 2022, sections 62J.692, subdivisions 4a, 7, and 7a; 137.38,  
 229.18 subdivision 1; and 256B.69, subdivision 5c, are repealed.

229.19 **EFFECTIVE DATE.** Paragraph (b) is effective July 1, 2024.

229.20

## ARTICLE 5

229.21

### MEDICAL EDUCATION AND RESEARCH COSTS

229.22 Section 1. Minnesota Statutes 2022, section 62J.692, subdivision 1, is amended to read:

229.23 Subdivision 1. **Definitions.** (a) For purposes of this section, the following definitions  
 229.24 apply:

229.25 (b) "Accredited clinical training" means the clinical training provided by a medical  
 229.26 education program that is accredited through an organization recognized by the Department  
 229.27 of Education, the Centers for Medicare and Medicaid Services, or another national body  
 229.28 who reviews the accrediting organizations for multiple disciplines and whose standards for  
 229.29 recognizing accrediting organizations are reviewed and approved by the commissioner of  
 229.30 health.

230.1 (c) "Commissioner" means the commissioner of health.

230.2 (d) "Clinical medical education program" means the accredited clinical training of  
230.3 physicians (medical students and residents), doctor of pharmacy practitioners (pharmacy  
230.4 students and residents), doctors of chiropractic, dentists (dental students and residents),  
230.5 advanced practice registered nurses (clinical nurse specialists, certified registered nurse  
230.6 anesthetists, nurse practitioners, and certified nurse midwives), physician assistants, dental  
230.7 therapists and advanced dental therapists, psychologists, clinical social workers, community  
230.8 paramedics, and community health workers.

230.9 (e) "Sponsoring institution" means a hospital, school, or consortium located in Minnesota  
230.10 that sponsors and maintains primary organizational and financial responsibility for a clinical  
230.11 medical education program in Minnesota and which is accountable to the accrediting body.

230.12 (f) "Teaching institution" means a hospital, medical center, clinic, or other organization  
230.13 that conducts a clinical medical education program in Minnesota.

230.14 (g) "Trainee" means a student or resident involved in a clinical medical education  
230.15 program.

230.16 (h) "Eligible trainee FTE's" means the number of trainees, as measured by full-time  
230.17 equivalent counts, that are at training sites located in Minnesota with currently active medical  
230.18 assistance enrollment status and a National Provider Identification (NPI) number where  
230.19 training occurs ~~in~~ as part of or under the scope of either an inpatient or ambulatory patient  
230.20 care setting and where the training is funded, in part, by patient care revenues. Training that  
230.21 occurs in nursing facility settings is not eligible for funding under this section.

230.22 Sec. 2. Minnesota Statutes 2022, section 62J.692, subdivision 3, is amended to read:

230.23 Subd. 3. **Application process.** (a) A clinical medical education program conducted in  
230.24 Minnesota by a teaching institution to train physicians, doctor of pharmacy practitioners,  
230.25 dentists, chiropractors, physician assistants, dental therapists and advanced dental therapists,  
230.26 psychologists, clinical social workers, community paramedics, or community health workers  
230.27 is eligible for funds under subdivision 4 if the program:

230.28 (1) is funded, in part, by patient care revenues;

230.29 (2) occurs in patient care settings that face increased financial pressure as a result of  
230.30 competition with nonteaching patient care entities; ~~and~~

230.31 (3) includes training hours in settings outside of the hospital or clinic site, as applicable,  
230.32 including but not limited to school, home, and community settings; and

231.1 ~~(3)~~ (4) emphasizes primary care or specialties that are in undersupply in Minnesota.

231.2 (b) A clinical medical education program for advanced practice nursing is eligible for  
 231.3 funds under subdivision 4 if the program meets the eligibility requirements in paragraph  
 231.4 (a), clauses (1) to (3), and is sponsored by the University of Minnesota Academic Health  
 231.5 Center, the Mayo Foundation, or institutions that are part of the Minnesota State Colleges  
 231.6 and Universities system or members of the Minnesota Private College Council.

231.7 (c) Applications must be submitted to the commissioner by a sponsoring institution on  
 231.8 behalf of an eligible clinical medical education program ~~and must be received by October~~  
 231.9 ~~31 of each year for distribution in the following year~~ on a timeline determined by the  
 231.10 commissioner. An application for funds must contain ~~the following information:~~ information  
 231.11 the commissioner deems necessary to determine program eligibility based on the criteria  
 231.12 in paragraphs (a) and (b) and to ensure the equitable distribution of funds.

231.13 ~~(1) the official name and address of the sponsoring institution and the official name and~~  
 231.14 ~~site address of the clinical medical education programs on whose behalf the sponsoring~~  
 231.15 ~~institution is applying;~~

231.16 ~~(2) the name, title, and business address of those persons responsible for administering~~  
 231.17 ~~the funds;~~

231.18 ~~(3) for each clinical medical education program for which funds are being sought; the~~  
 231.19 ~~type and specialty orientation of trainees in the program; the name, site address, and medical~~  
 231.20 ~~assistance provider number and national provider identification number of each training~~  
 231.21 ~~site used in the program; the federal tax identification number of each training site used in~~  
 231.22 ~~the program, where available; the total number of trainees at each training site; and the total~~  
 231.23 ~~number of eligible trainee FTEs at each site; and~~

231.24 ~~(4) other supporting information the commissioner deems necessary to determine program~~  
 231.25 ~~eligibility based on the criteria in paragraphs (a) and (b) and to ensure the equitable~~  
 231.26 ~~distribution of funds.~~

231.27 (d) ~~An application must include the information specified in clauses (1) to (3) for each~~  
 231.28 ~~clinical medical education program on an annual basis for three consecutive years. After~~  
 231.29 ~~that time, an application must include the information specified in clauses (1) to (3) when~~  
 231.30 ~~requested, at the discretion of the commissioner:~~

231.31 ~~(1) audited clinical training costs per trainee for each clinical medical education program~~  
 231.32 ~~when available or estimates of clinical training costs based on audited financial data;~~

232.1 ~~(2) a description of current sources of funding for clinical medical education costs,~~  
 232.2 ~~including a description and dollar amount of all state and federal financial support, including~~  
 232.3 ~~Medicare direct and indirect payments; and~~

232.4 ~~(3) other revenue received for the purposes of clinical training.~~

232.5 ~~(e)~~ (d) An applicant that does not provide information requested by the commissioner  
 232.6 shall not be eligible for funds for the ~~current~~ applicable funding cycle.

232.7 Sec. 3. Minnesota Statutes 2022, section 62J.692, subdivision 4, is amended to read:

232.8 Subd. 4. **Distribution of funds.** (a) The commissioner shall annually distribute ~~the~~  
 232.9 ~~available medical education funds~~ revenue credited or money transferred to the medical  
 232.10 education and research cost account under subdivision 8 and section 297F.10, subdivision  
 232.11 1, clause (2), to all qualifying applicants based on a public program volume factor, which  
 232.12 is determined by the total volume of public program revenue received by each training site  
 232.13 as a percentage of all public program revenue received by all training sites in the fund pool.

232.14 Public program revenue for the distribution formula includes revenue from medical  
 232.15 assistance and prepaid medical assistance. Training sites that receive no public program  
 232.16 revenue are ineligible for funds available under this subdivision. ~~For purposes of determining~~  
 232.17 ~~training site level grants to be distributed under this paragraph, total statewide average costs~~  
 232.18 ~~per trainee for medical residents is based on audited clinical training costs per trainee in~~  
 232.19 ~~primary care clinical medical education programs for medical residents. Total statewide~~  
 232.20 ~~average costs per trainee for dental residents is based on audited clinical training costs per~~  
 232.21 ~~trainee in clinical medical education programs for dental students. Total statewide average~~  
 232.22 ~~costs per trainee for pharmacy residents is based on audited clinical training costs per trainee~~  
 232.23 ~~in clinical medical education programs for pharmacy students.~~

232.24 Training sites whose training site level grant is less than \$5,000, based on the ~~formula~~  
 232.25 formulas described in this ~~paragraph~~ subdivision, or that train fewer than 0.1 FTE eligible  
 232.26 trainees, are ineligible for funds available under this subdivision. No training sites shall  
 232.27 receive a grant per FTE trainee that is in excess of the 95th percentile grant per FTE across  
 232.28 all eligible training sites; grants in excess of this amount will be redistributed to other eligible  
 232.29 sites based on the ~~formula~~ formulas described in this ~~paragraph~~ subdivision.

232.30 (b) ~~For funds distributed in fiscal years 2014 and 2015, the distribution formula shall~~  
 232.31 ~~include a supplemental public program volume factor, which is determined by providing a~~  
 232.32 ~~supplemental payment to training sites whose public program revenue accounted for at least~~  
 232.33 ~~0.98 percent of the total public program revenue received by all eligible training sites. The~~



233.1 ~~supplemental public program volume factor shall be equal to ten percent of each training~~  
233.2 ~~site's grant for funds distributed in fiscal year 2014 and for funds distributed in fiscal year~~  
233.3 ~~2015. Grants to training sites whose public program revenue accounted for less than 0.98~~  
233.4 ~~percent of the total public program revenue received by all eligible training sites shall be~~  
233.5 ~~reduced by an amount equal to the total value of the supplemental payment. For fiscal year~~  
233.6 ~~2016 and beyond, the distribution of funds shall be based solely on the public program~~  
233.7 ~~volume factor as described in paragraph (a).~~ Money appropriated through the state general  
233.8 fund, the health care access fund, and any additional fund for the purpose of funding medical  
233.9 education and research costs and that does not require federal approval must be awarded  
233.10 only to eligible training sites that do not qualify for a medical education and research cost  
233.11 rate factor under sections 256.969, subdivision 2b, paragraph (k), or 256B.75, paragraph  
233.12 (b). The commissioner shall distribute the available medical education money appropriated  
233.13 to eligible training sites that do not qualify for a medical education and research cost rate  
233.14 factor based on a distribution formula determined by the commissioner. The distribution  
233.15 formula under this paragraph must consider clinical training costs, public program revenues,  
233.16 and other factors identified by the commissioner that address the objective of supporting  
233.17 clinical training.

233.18 (c) Funds distributed shall not be used to displace current funding appropriations from  
233.19 federal or state sources.

233.20 (d) Funds shall be distributed to the sponsoring institutions indicating the amount to be  
233.21 distributed to each of the sponsor's clinical medical education programs based on the criteria  
233.22 in this subdivision and in accordance with the commissioner's approval letter. Each clinical  
233.23 medical education program must distribute funds allocated under paragraphs (a) and (b) to  
233.24 the training sites as specified in the commissioner's approval letter. Sponsoring institutions,  
233.25 which are accredited through an organization recognized by the Department of Education  
233.26 or the Centers for Medicare and Medicaid Services, may contract directly with training sites  
233.27 to provide clinical training. To ensure the quality of clinical training, those accredited  
233.28 sponsoring institutions must:

233.29 (1) develop contracts specifying the terms, expectations, and outcomes of the clinical  
233.30 training conducted at sites; and

233.31 (2) take necessary action if the contract requirements are not met. Action may include  
233.32 ~~the withholding of payments~~ disqualifying the training site under this section or the removal  
233.33 of students from the site.

234.1 (e) Use of funds is limited to expenses related to eligible clinical training ~~program~~ costs  
 234.2 ~~for eligible programs.~~ The commissioner shall develop a methodology for determining  
 234.3 eligible costs.

234.4 (f) Any funds ~~not~~ that cannot be distributed in accordance with the commissioner's  
 234.5 approval letter must be returned to the medical education and research fund within 30 days  
 234.6 of receiving notice from the commissioner. ~~The commissioner shall distribute returned~~  
 234.7 ~~funds to the appropriate training sites in accordance with the commissioner's approval letter.~~  
 234.8 When appropriate, the commissioner shall include the undistributed money in the subsequent  
 234.9 distribution cycle using the applicable methodology described in this subdivision.

234.10 ~~(g) A maximum of \$150,000 of the funds dedicated to the commissioner under section~~  
 234.11 ~~297F.10, subdivision 1, clause (2), may be used by the commissioner for administrative~~  
 234.12 ~~expenses associated with implementing this section.~~

234.13 Sec. 4. Minnesota Statutes 2022, section 62J.692, subdivision 5, is amended to read:

234.14 Subd. 5. **Report.** (a) Sponsoring institutions receiving funds under this section must  
 234.15 ~~sign and~~ submit a medical education grant verification report (GVR) to verify that the correct  
 234.16 grant amount was forwarded to each eligible training site. ~~If the sponsoring institution fails~~  
 234.17 ~~to submit the GVR by the stated deadline, or to request and meet the deadline for an~~  
 234.18 ~~extension, the sponsoring institution is required to return the full amount of funds received~~  
 234.19 ~~to the commissioner within 30 days of receiving notice from the commissioner. The~~  
 234.20 ~~commissioner shall distribute returned funds to the appropriate training sites in accordance~~  
 234.21 ~~with the commissioner's approval letter.~~

234.22 (b) The reports must provide verification of the distribution of the funds and must include:

234.23 ~~(1) the total number of eligible trainee FTEs in each clinical medical education program;~~

234.24 ~~(2) the name of each funded program and, for each program, the dollar amount distributed~~  
 234.25 ~~to each training site and a training site expenditure report;~~

234.26 ~~(3)~~ (1) documentation of any discrepancies between the ~~initial~~ grant distribution notice  
 234.27 included in the commissioner's approval letter and the actual distribution;

234.28 ~~(4)~~ (2) a statement by the sponsoring institution stating that the completed grant  
 234.29 verification report is valid and accurate; and

234.30 ~~(5)~~ (3) other information the commissioner deems appropriate to evaluate the effectiveness  
 234.31 of the use of funds for medical education.

235.1 ~~(e) Each year, the commissioner shall provide an annual summary report to the legislature~~  
 235.2 ~~on the implementation of this section. This report is exempt from section 144.05, subdivision~~  
 235.3 ~~7.~~

235.4 Sec. 5. Minnesota Statutes 2022, section 62J.692, subdivision 8, is amended to read:

235.5 Subd. 8. **Federal financial participation.** The commissioner of human services shall  
 235.6 seek to maximize federal financial participation in payments for the dedicated revenue for  
 235.7 medical education and research costs provided under section 297F.10, subdivision 1, clause  
 235.8 (2).

235.9 ~~The commissioner shall use physician clinic rates where possible to maximize federal~~  
 235.10 ~~financial participation. Any additional funds that become available must be distributed under~~  
 235.11 ~~subdivision 4, paragraph (a).~~

235.12 Sec. 6. Minnesota Statutes 2022, section 144.1501, subdivision 2, is amended to read:

235.13 Subd. 2. **Creation of account.** (a) A health professional education loan forgiveness  
 235.14 program account is established. The commissioner of health shall use money from the  
 235.15 account to establish a loan forgiveness program:

235.16 (1) for medical residents, mental health professionals, and alcohol and drug counselors  
 235.17 agreeing to practice in designated rural areas or underserved urban communities or  
 235.18 specializing in the area of ~~pediatric~~ psychiatry;

235.19 (2) for midlevel practitioners agreeing to practice in designated rural areas or to teach  
 235.20 at least 12 credit hours, or 720 hours per year in the nursing field in a postsecondary program  
 235.21 at the undergraduate level or the equivalent at the graduate level;

235.22 (3) for nurses who agree to practice in a Minnesota nursing home; in an intermediate  
 235.23 care facility for persons with developmental disability; in a hospital if the hospital owns  
 235.24 and operates a Minnesota nursing home and a minimum of 50 percent of the hours worked  
 235.25 by the nurse is in the nursing home; ~~a housing with services establishment in an assisted~~  
 235.26 living facility as defined in section ~~144D.01~~ 144G.08, subdivision 4 ~~7~~; or for a home care  
 235.27 provider as defined in section 144A.43, subdivision 4; or agree to teach at least 12 credit  
 235.28 hours, or 720 hours per year in the nursing field in a postsecondary program at the  
 235.29 undergraduate level or the equivalent at the graduate level;

235.30 (4) for other health care technicians agreeing to teach at least 12 credit hours, or 720  
 235.31 hours per year in their designated field in a postsecondary program at the undergraduate  
 235.32 level or the equivalent at the graduate level. The commissioner, in consultation with the

236.1 Healthcare Education-Industry Partnership, shall determine the health care fields where the  
236.2 need is the greatest, including, but not limited to, respiratory therapy, clinical laboratory  
236.3 technology, radiologic technology, and surgical technology;

236.4 (5) for pharmacists, advanced dental therapists, dental therapists, and public health nurses  
236.5 who agree to practice in designated rural areas; and

236.6 (6) for dentists agreeing to deliver at least 25 percent of the dentist's yearly patient  
236.7 encounters to state public program enrollees or patients receiving sliding fee schedule  
236.8 discounts through a formal sliding fee schedule meeting the standards established by the  
236.9 United States Department of Health and Human Services under Code of Federal Regulations,  
236.10 title 42, section 51, chapter 303.

236.11 (b) Appropriations made to the account do not cancel and are available until expended,  
236.12 except that at the end of each biennium, any remaining balance in the account that is not  
236.13 committed by contract and not needed to fulfill existing commitments shall cancel to the  
236.14 fund.

236.15 Sec. 7. Minnesota Statutes 2022, section 144.1501, subdivision 3, is amended to read:

236.16 Subd. 3. **Eligibility.** (a) To be eligible to participate in the loan forgiveness program, an  
236.17 individual must:

236.18 (1) be a medical or dental resident; be a licensed pharmacist; or be enrolled in a training  
236.19 or education program or obtaining required supervision hours to become a dentist, dental  
236.20 therapist, advanced dental therapist, mental health professional, alcohol and drug counselor,  
236.21 pharmacist, public health nurse, midlevel practitioner, registered nurse, or a licensed practical  
236.22 nurse. The commissioner may also consider applications submitted by graduates in eligible  
236.23 professions who are licensed and in practice; and

236.24 (2) submit an application to the commissioner of health.

236.25 (b) An applicant selected to participate must sign a contract to agree to serve a minimum  
236.26 three-year full-time service obligation according to subdivision 2, which shall begin no later  
236.27 than March 31 following completion of required training, with the exception of a nurse,  
236.28 who must agree to serve a minimum two-year full-time service obligation according to  
236.29 subdivision 2, which shall begin no later than March 31 following completion of required  
236.30 training.

237.1 Sec. 8. Minnesota Statutes 2022, section 144.1506, subdivision 4, is amended to read:

237.2 Subd. 4. **Consideration of expansion grant applications.** The commissioner shall  
237.3 review each application to determine whether or not the residency program application is  
237.4 complete and whether the proposed new residency program and any new residency slots  
237.5 are eligible for a grant. The commissioner shall award grants to support up to six family  
237.6 medicine, general internal medicine, or general pediatrics residents; ~~four~~ five psychiatry  
237.7 residents; two geriatrics residents; and two general surgery residents. If insufficient  
237.8 applications are received from any eligible specialty, funds may be redistributed to  
237.9 applications from other eligible specialties.

237.10 Sec. 9. **[144.1507] PEDIATRIC PRIMARY CARE MENTAL HEALTH TRAINING;**  
237.11 **GRANT PROGRAM.**

237.12 Subdivision 1. **Establishment.** The commissioner of health shall award grants for the  
237.13 development of child mental health training programs that are located in outpatient primary  
237.14 care clinics. To be eligible for a grant, a training program must:

237.15 (1) focus on the training of pediatric primary care providers working with  
237.16 multidisciplinary mental health teams;

237.17 (2) provide training on conducting comprehensive clinical mental health assessments  
237.18 and potential pharmacological therapy;

237.19 (3) provide psychiatric consultation to pediatric primary care providers during their  
237.20 outpatient pediatric primary care experiences;

237.21 (4) emphasize longitudinal care for patients with behavioral health needs; and

237.22 (5) develop partnerships with community resources.

237.23 Subd. 2. **Child mental health training grant program.** (a) Child mental health training  
237.24 grants may be awarded to eligible primary care training programs to plan and implement  
237.25 new programs or expand existing programs in child mental health training.

237.26 (b) Money may be spent to cover the costs of:

237.27 (1) planning related to implementing or expanding child mental health training in an  
237.28 outpatient primary care clinic setting;

237.29 (2) training site improvements, fees, equipment, and supplies required for implementation  
237.30 of the training programs; and

237.31 (3) supporting clinical training in the outpatient primary clinic sites.

238.1 Subd. 3. **Applications for child mental health training grants.** Eligible primary care  
238.2 training programs seeking a grant shall apply to the commissioner. Applications must include  
238.3 the location of the training; a description of the training program, including all costs  
238.4 associated with the training program; all sources of money for the training program; detailed  
238.5 uses of all money for the training program; the results expected; and a plan to maintain the  
238.6 training program after the grant period. The applicant must describe achievable objectives  
238.7 and a timetable for the training program.

238.8 Subd. 4. **Consideration of child mental health training grant applications.** The  
238.9 commissioner shall review each application to determine whether the application meets the  
238.10 stated goals of the grant and shall award grants to support up to four training program  
238.11 proposals.

238.12 Subd. 5. **Program oversight.** During the grant period, the commissioner may require  
238.13 and collect from grantees any information necessary to evaluate the training program.

238.14 Sec. 10. **[144.1511] MENTAL HEALTH CULTURAL COMMUNITY CONTINUING**  
238.15 **EDUCATION GRANT PROGRAM.**

238.16 The mental health cultural community continuing education grant program is established  
238.17 in the Department of Health to provide grants for the continuing education necessary for  
238.18 social workers, marriage and family therapists, psychologists, and professional clinical  
238.19 counselors to become supervisors for individuals pursuing licensure in mental health  
238.20 professions. The commissioner must consult with the relevant mental health licensing boards  
238.21 in creating the program. To be eligible for a grant under this section, a social worker, marriage  
238.22 and family therapist, psychologist, or professional clinical counselor must:

238.23 (1) be a member of a community of color or an underrepresented community as defined  
238.24 in section 148E.010, subdivision 20; and

238.25 (2) work for a community mental health provider and agree to deliver at least 25 percent  
238.26 of their yearly patient encounters to state public program enrollees or patients receiving  
238.27 sliding fee schedule discounts through a formal sliding fee schedule meeting the standards  
238.28 established by the United States Department of Health and Human Services under Code of  
238.29 Federal Regulations, title 42, section 51c.303.

238.30 Sec. 11. **[144.1913] CLINICAL DENTAL EDUCATION INNOVATION GRANTS.**

238.31 (a) The commissioner shall award clinical dental education innovation grants to teaching  
238.32 institutions and clinical training sites for projects that increase dental access for underserved

239.1 populations and promote innovative clinical training of dental professionals. In awarding  
239.2 the grants, the commissioner shall consider the following:

239.3 (1) potential to successfully increase access to dental services for an underserved  
239.4 population;

239.5 (2) the long-term viability of the project to improve access to dental services beyond  
239.6 the period of initial funding;

239.7 (3) evidence of collaboration between the applicant and local communities;

239.8 (4) efficiency in the use of grant money; and

239.9 (5) the priority level of the project in relation to state education, access, and workforce  
239.10 goals.

239.11 (b) The commissioner shall periodically evaluate the priorities in awarding innovations  
239.12 grants under this section to ensure that the priorities meet the changing workforce needs of  
239.13 the state.

239.14 Sec. 12. **[144.88] MENTAL HEALTH AND SUBSTANCE USE DISORDER**  
239.15 **EDUCATION CENTER.**

239.16 Subdivision 1. **Establishment.** The Mental Health and Substance Use Disorder Education  
239.17 Center is established in the Department of Health. The purpose of the center is to increase  
239.18 the number of professionals, practitioners, and peers working in mental health and substance  
239.19 use disorder treatment; increase the diversity of professionals, practitioners, and peers  
239.20 working in mental health and substance use disorder treatment; and facilitate a culturally  
239.21 informed and responsive mental health and substance use disorder treatment workforce.

239.22 Subd. 2. **Activities.** The Mental Health and Substance Use Disorder Education Center  
239.23 must:

239.24 (1) analyze the geographic and demographic availability of licensed professionals in the  
239.25 field, identify gaps, and prioritize the need for additional licensed professionals by type,  
239.26 location, and demographics;

239.27 (2) create a program that exposes high school and college students to careers in the  
239.28 mental health and substance use disorder treatment field;

239.29 (3) create a website for individuals considering becoming a mental health provider that  
239.30 clearly labels the steps necessary to achieve licensure and certification in the various mental  
239.31 health fields and lists resources and links for more information;

240.1 (4) create a job board for organizations seeking employees to provide mental health and  
240.2 substance use disorder treatment, services, and supports;

240.3 (5) track the number of students at the college and graduate level who are graduating  
240.4 from programs that could facilitate a career as a mental health or substance use disorder  
240.5 treatment practitioner or professional and work with the colleges and universities to support  
240.6 the students in obtaining licensure;

240.7 (6) identify barriers to licensure and make recommendations to address the barriers;

240.8 (7) establish learning collaborative partnerships with mental health and substance use  
240.9 disorder treatment providers, schools, criminal justice agencies, and others;

240.10 (8) promote and expand loan forgiveness programs, funding for professionals to become  
240.11 supervisors, funding to pay for supervision, and funding for pathways to licensure;

240.12 (9) identify barriers to using loan forgiveness programs and develop recommendations  
240.13 to address the barriers;

240.14 (10) work to expand Medicaid graduate medical education to other mental health  
240.15 professionals;

240.16 (11) identify current sites for internships and practicums and assess the need for additional  
240.17 sites;

240.18 (12) develop training for other health care professionals to increase their knowledge  
240.19 about mental health and substance use disorder treatment, including but not limited to  
240.20 community health workers, pediatricians, primary care physicians, physician assistants, and  
240.21 nurses; and

240.22 (13) support training for integrated mental health and primary care in rural areas.

240.23 Subd. 3. **Reports.** Beginning January 1, 2024, the commissioner of health shall submit  
240.24 an annual report to the chairs and ranking minority members of the legislative committees  
240.25 with jurisdiction over health finance and policy summarizing the center's activities and  
240.26 progress in addressing the mental health and substance use disorder treatment workforce  
240.27 shortage.

240.28 Sec. 13. **[145.9272] FEDERALLY QUALIFIED HEALTH CENTERS**  
240.29 **APPRENTICESHIP PROGRAM.**

240.30 Subdivision 1. **Definitions.** (a) The terms defined in this subdivision apply to this section.



241.1 (b) "Federally qualified health center" has the meaning given in section 145.9269,  
 241.2 subdivision 1.

241.3 (c) "Nonprofit organization of community health centers" means a nonprofit organization  
 241.4 the membership of which consists of federally qualified health centers operating service  
 241.5 delivery sites in Minnesota and that provides services to federally qualified health centers  
 241.6 in Minnesota to promote the delivery of affordable, quality primary care services in the  
 241.7 state.

241.8 Subd. 2. **Apprenticeship program.** The commissioner of health shall distribute a grant  
 241.9 to a nonprofit organization of community health centers for an apprenticeship program in  
 241.10 federally qualified health centers operating in Minnesota. Grant money must be used to  
 241.11 establish and fund ongoing costs for apprenticeship programs for medical assistants and  
 241.12 dental assistants at federally qualified health center service delivery sites in Minnesota. An  
 241.13 apprenticeship program funded under this section must be a 12-month program led by  
 241.14 certified medical assistants and licensed dental assistants. Trainees for an apprenticeship  
 241.15 program must be recruited from federally qualified health center staff and from the population  
 241.16 in the geographic area served by the federally qualified health center.

241.17 Sec. 14. Minnesota Statutes 2022, section 245.4663, subdivision 4, is amended to read:

241.18 **Subd. 4. Allowable uses of grant funds.** A mental health provider must use grant funds  
 241.19 received under this section for one or more of the following:

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

241.22 (2) to establish a program to provide supervision to multiple interns or clinical trainees;  
 241.23 ~~or~~

241.24 (3) to pay licensing application and examination fees for clinical trainees; or

241.25 (4) to provide a weekend training program for workers to become supervisors.

241.26 Sec. 15. **[245.4664] MENTAL HEALTH PROFESSIONAL SCHOLARSHIP GRANT**  
 241.27 **PROGRAM.**

241.28 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
 241.29 the meanings given.

241.30 (b) "Mental health professional" means an individual with a qualification specified in  
 241.31 section 245I.04, subdivision 2.

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

242.3 Subd. 2. **Grant program established.** The mental health professional scholarship  
242.4 program is established in the Department of Human Services to assist mental health providers  
242.5 in funding employee scholarships for master's degree-level education programs in order to  
242.6 create a pathway to becoming a mental health professional.

242.7 Subd. 3. **Provision of grants.** The commissioner of human services shall award grants  
242.8 to licensed or certified mental health providers who meet the criteria in subdivision 4 to  
242.9 provide tuition reimbursement for master's degree-level programs and certain related costs  
242.10 for individuals who have worked for the mental health provider for at least the past two  
242.11 years in one or more of the following roles:

242.12 (1) a mental health behavioral aide who meets a qualification in section 245I.04,  
242.13 subdivision 16;

242.14 (2) a mental health certified family peer specialist who meets the qualifications in section  
242.15 245I.04, subdivision 12;

242.16 (3) a mental health certified peer specialist who meets the qualifications in section  
242.17 245I.04, subdivision 10;

242.18 (4) a mental health practitioner who meets a qualification in section 245I.04, subdivision  
242.19 4;

242.20 (5) a mental health rehabilitation worker who meets the qualifications in section 245I.04,  
242.21 subdivision 14;

242.22 (6) an individual employed in a role in which the individual provides face-to-face client  
242.23 services at a mental health center or certified community behavioral health center; or

242.24 (7) a staff person who provides care or services to residents of a residential treatment  
242.25 facility.

242.26 Subd. 4. **Eligibility.** In order to be eligible for a grant under this section, a mental health  
242.27 provider must:

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

243.1 (2) primarily serve people from communities of color or underrepresented communities.

243.2 Subd. 5. **Request for proposals.** The commissioner must publish a request for proposals  
243.3 in the State Register specifying provider eligibility requirements, criteria for a qualifying  
243.4 employee scholarship program, provider selection criteria, documentation required for  
243.5 program participation, the maximum award amount, and methods of evaluation. The  
243.6 commissioner must publish additional requests for proposals each year in which funding is  
243.7 available for this purpose.

243.8 Subd. 6. **Application requirements.** An eligible provider seeking a grant under this  
243.9 section must submit an application to the commissioner. An application must contain a  
243.10 complete description of the employee scholarship program being proposed by the applicant,  
243.11 including the need for the mental health provider to enhance the education of its workforce,  
243.12 the process the mental health provider will use to determine which employees will be eligible  
243.13 for scholarships, any other money sources for scholarships, the amount of money sought  
243.14 for the scholarship program, a proposed budget detailing how money will be spent, and  
243.15 plans to retain eligible employees after completion of the education program.

243.16 Subd. 7. **Selection process.** The commissioner shall determine a maximum award amount  
243.17 for grants and shall select grant recipients based on the information provided in the grant  
243.18 application, including the demonstrated need for the applicant provider to enhance the  
243.19 education of its workforce, the proposed process to select employees for scholarships, the  
243.20 applicant's proposed budget, and other criteria as determined by the commissioner. The  
243.21 commissioner shall give preference to grant applicants who work in rural or culturally  
243.22 specific organizations.

243.23 Subd. 8. **Grant agreements.** Notwithstanding any law or rule to the contrary, grant  
243.24 money awarded to a grant recipient in a grant agreement does not lapse until the grant  
243.25 agreement expires.

243.26 Subd. 9. **Allowable uses of grant money.** A mental health provider receiving a grant  
243.27 under this section must use the grant money for one or more of the following:

243.28 (1) to provide employees with tuition reimbursement for a master's degree-level program  
243.29 in a discipline that will allow the employee to qualify as a mental health professional; or

243.30 (2) for resources and supports, such as child care and transportation, that allow an  
243.31 employee to attend a master's degree-level program specified in clause (1).

243.32 Subd. 10. **Reporting requirements.** A mental health provider receiving a grant under  
243.33 this section must submit an invoice for reimbursement and a report to the commissioner on

244.1 a schedule determined by the commissioner and using a form supplied by the commissioner.  
244.2 The report must include the amount spent on scholarships; the number of employees who  
244.3 received scholarships; and, for each scholarship recipient, the recipient's name, current  
244.4 position, amount awarded, educational institution attended, name of the educational program,  
244.5 and expected or actual program completion date.

244.6 Sec. 16. Minnesota Statutes 2022, section 256.969, subdivision 2b, is amended to read:

244.7 Subd. 2b. **Hospital payment rates.** (a) For discharges occurring on or after November  
244.8 1, 2014, hospital inpatient services for hospitals located in Minnesota shall be paid according  
244.9 to the following:

244.10 (1) critical access hospitals as defined by Medicare shall be paid using a cost-based  
244.11 methodology;

244.12 (2) long-term hospitals as defined by Medicare shall be paid on a per diem methodology  
244.13 under subdivision 25;

244.14 (3) rehabilitation hospitals or units of hospitals that are recognized as rehabilitation  
244.15 distinct parts as defined by Medicare shall be paid according to the methodology under  
244.16 subdivision 12; and

244.17 (4) all other hospitals shall be paid on a diagnosis-related group (DRG) methodology.

244.18 (b) For the period beginning January 1, 2011, through October 31, 2014, rates shall not  
244.19 be rebased, except that a Minnesota long-term hospital shall be rebased effective January  
244.20 1, 2011, based on its most recent Medicare cost report ending on or before September 1,  
244.21 2008, with the provisions under subdivisions 9 and 23, based on the rates in effect on  
244.22 December 31, 2010. For rate setting periods after November 1, 2014, in which the base  
244.23 years are updated, a Minnesota long-term hospital's base year shall remain within the same  
244.24 period as other hospitals.

244.25 (c) Effective for discharges occurring on and after November 1, 2014, payment rates  
244.26 for hospital inpatient services provided by hospitals located in Minnesota or the local trade  
244.27 area, except for the hospitals paid under the methodologies described in paragraph (a),  
244.28 clauses (2) and (3), shall be rebased, incorporating cost and payment methodologies in a  
244.29 manner similar to Medicare. The base year or years for the rates effective November 1,  
244.30 2014, shall be calendar year 2012. The rebasing under this paragraph shall be budget neutral,  
244.31 ensuring that the total aggregate payments under the rebased system are equal to the total  
244.32 aggregate payments that were made for the same number and types of services in the base  
244.33 year. Separate budget neutrality calculations shall be determined for payments made to

245.1 critical access hospitals and payments made to hospitals paid under the DRG system. Only  
245.2 the rate increases or decreases under subdivision 3a or 3c that applied to the hospitals being  
245.3 rebased during the entire base period shall be incorporated into the budget neutrality  
245.4 calculation.

245.5 (d) For discharges occurring on or after November 1, 2014, through the next rebasing  
245.6 that occurs, the rebased rates under paragraph (c) that apply to hospitals under paragraph  
245.7 (a), clause (4), shall include adjustments to the projected rates that result in no greater than  
245.8 a five percent increase or decrease from the base year payments for any hospital. Any  
245.9 adjustments to the rates made by the commissioner under this paragraph and paragraph (e)  
245.10 shall maintain budget neutrality as described in paragraph (c).

245.11 (e) For discharges occurring on or after November 1, 2014, the commissioner may make  
245.12 additional adjustments to the rebased rates, and when evaluating whether additional  
245.13 adjustments should be made, the commissioner shall consider the impact of the rates on the  
245.14 following:

245.15 (1) pediatric services;

245.16 (2) behavioral health services;

245.17 (3) trauma services as defined by the National Uniform Billing Committee;

245.18 (4) transplant services;

245.19 (5) obstetric services, newborn services, and behavioral health services provided by  
245.20 hospitals outside the seven-county metropolitan area;

245.21 (6) outlier admissions;

245.22 (7) low-volume providers; and

245.23 (8) services provided by small rural hospitals that are not critical access hospitals.

245.24 (f) Hospital payment rates established under paragraph (c) must incorporate the following:

245.25 (1) for hospitals paid under the DRG methodology, the base year payment rate per  
245.26 admission is standardized by the applicable Medicare wage index and adjusted by the  
245.27 hospital's disproportionate population adjustment;

245.28 (2) for critical access hospitals, payment rates for discharges between November 1, 2014,  
245.29 and June 30, 2015, shall be set to the same rate of payment that applied for discharges on  
245.30 October 31, 2014;

246.1 (3) the cost and charge data used to establish hospital payment rates must only reflect  
246.2 inpatient services covered by medical assistance; and

246.3 (4) in determining hospital payment rates for discharges occurring on or after the rate  
246.4 year beginning January 1, 2011, through December 31, 2012, the hospital payment rate per  
246.5 discharge shall be based on the cost-finding methods and allowable costs of the Medicare  
246.6 program in effect during the base year or years. In determining hospital payment rates for  
246.7 discharges in subsequent base years, the per discharge rates shall be based on the cost-finding  
246.8 methods and allowable costs of the Medicare program in effect during the base year or  
246.9 years.

246.10 (g) The commissioner shall validate the rates effective November 1, 2014, by applying  
246.11 the rates established under paragraph (c), and any adjustments made to the rates under  
246.12 paragraph (d) or (e), to hospital claims paid in calendar year 2013 to determine whether the  
246.13 total aggregate payments for the same number and types of services under the rebased rates  
246.14 are equal to the total aggregate payments made during calendar year 2013.

246.15 (h) Effective for discharges occurring on or after July 1, 2017, and every two years  
246.16 thereafter, payment rates under this section shall be rebased to reflect only those changes  
246.17 in hospital costs between the existing base year or years and the next base year or years. In  
246.18 any year that inpatient claims volume falls below the threshold required to ensure a  
246.19 statistically valid sample of claims, the commissioner may combine claims data from two  
246.20 consecutive years to serve as the base year. Years in which inpatient claims volume is  
246.21 reduced or altered due to a pandemic or other public health emergency shall not be used as  
246.22 a base year or part of a base year if the base year includes more than one year. Changes in  
246.23 costs between base years shall be measured using the lower of the hospital cost index defined  
246.24 in subdivision 1, paragraph (a), or the percentage change in the case mix adjusted cost per  
246.25 claim. The commissioner shall establish the base year for each rebasing period considering  
246.26 the most recent year or years for which filed Medicare cost reports are available. The  
246.27 estimated change in the average payment per hospital discharge resulting from a scheduled  
246.28 rebasing must be calculated and made available to the legislature by January 15 of each  
246.29 year in which rebasing is scheduled to occur, and must include by hospital the differential  
246.30 in payment rates compared to the individual hospital's costs.

246.31 (i) Effective for discharges occurring on or after July 1, 2015, inpatient payment rates  
246.32 for critical access hospitals located in Minnesota or the local trade area shall be determined  
246.33 using a new cost-based methodology. The commissioner shall establish within the  
246.34 methodology tiers of payment designed to promote efficiency and cost-effectiveness.  
246.35 Payment rates for hospitals under this paragraph shall be set at a level that does not exceed

247.1 the total cost for critical access hospitals as reflected in base year cost reports. Until the  
247.2 next rebasing that occurs, the new methodology shall result in no greater than a five percent  
247.3 decrease from the base year payments for any hospital, except a hospital that had payments  
247.4 that were greater than 100 percent of the hospital's costs in the base year shall have their  
247.5 rate set equal to 100 percent of costs in the base year. The rates paid for discharges on and  
247.6 after July 1, 2016, covered under this paragraph shall be increased by the inflation factor  
247.7 in subdivision 1, paragraph (a). The new cost-based rate shall be the final rate and shall not  
247.8 be settled to actual incurred costs. Hospitals shall be assigned a payment tier based on the  
247.9 following criteria:

247.10 (1) hospitals that had payments at or below 80 percent of their costs in the base year  
247.11 shall have a rate set that equals 85 percent of their base year costs;

247.12 (2) hospitals that had payments that were above 80 percent, up to and including 90  
247.13 percent of their costs in the base year shall have a rate set that equals 95 percent of their  
247.14 base year costs; and

247.15 (3) hospitals that had payments that were above 90 percent of their costs in the base year  
247.16 shall have a rate set that equals 100 percent of their base year costs.

247.17 (j) The commissioner may refine the payment tiers and criteria for critical access hospitals  
247.18 to coincide with the next rebasing under paragraph (h). The factors used to develop the new  
247.19 methodology may include, but are not limited to:

247.20 (1) the ratio between the hospital's costs for treating medical assistance patients and the  
247.21 hospital's charges to the medical assistance program;

247.22 (2) the ratio between the hospital's costs for treating medical assistance patients and the  
247.23 hospital's payments received from the medical assistance program for the care of medical  
247.24 assistance patients;

247.25 (3) the ratio between the hospital's charges to the medical assistance program and the  
247.26 hospital's payments received from the medical assistance program for the care of medical  
247.27 assistance patients;

247.28 (4) the statewide average increases in the ratios identified in clauses (1), (2), and (3);

247.29 (5) the proportion of that hospital's costs that are administrative and trends in  
247.30 administrative costs; and

247.31 (6) geographic location.

248.1 (k) Effective for discharges occurring on or after January 1, 2024, the rates paid to  
248.2 hospitals described in paragraph (a), clauses (2) to (4), must include a rate factor specific  
248.3 to each hospital that qualifies for a medical education and research cost distribution under  
248.4 section 62J.692 subdivision 4, paragraph (a).

248.5 Sec. 17. Minnesota Statutes 2022, section 256B.75, is amended to read:

248.6 **256B.75 HOSPITAL OUTPATIENT REIMBURSEMENT.**

248.7 (a) For outpatient hospital facility fee payments for services rendered on or after October  
248.8 1, 1992, the commissioner of human services shall pay the lower of (1) submitted charge,  
248.9 or (2) 32 percent above the rate in effect on June 30, 1992, except for those services for  
248.10 which there is a federal maximum allowable payment. Effective for services rendered on  
248.11 or after January 1, 2000, payment rates for nonsurgical outpatient hospital facility fees and  
248.12 emergency room facility fees shall be increased by eight percent over the rates in effect on  
248.13 December 31, 1999, except for those services for which there is a federal maximum allowable  
248.14 payment. Services for which there is a federal maximum allowable payment shall be paid  
248.15 at the lower of (1) submitted charge, or (2) the federal maximum allowable payment. Total  
248.16 aggregate payment for outpatient hospital facility fee services shall not exceed the Medicare  
248.17 upper limit. If it is determined that a provision of this section conflicts with existing or  
248.18 future requirements of the United States government with respect to federal financial  
248.19 participation in medical assistance, the federal requirements prevail. The commissioner  
248.20 may, in the aggregate, prospectively reduce payment rates to avoid reduced federal financial  
248.21 participation resulting from rates that are in excess of the Medicare upper limitations.

248.22 (b) Notwithstanding paragraph (a), payment for outpatient, emergency, and ambulatory  
248.23 surgery hospital facility fee services for critical access hospitals designated under section  
248.24 144.1483, clause (9), shall be paid on a cost-based payment system that is based on the  
248.25 cost-finding methods and allowable costs of the Medicare program. Effective for services  
248.26 provided on or after July 1, 2015, rates established for critical access hospitals under this  
248.27 paragraph for the applicable payment year shall be the final payment and shall not be settled  
248.28 to actual costs. Effective for services delivered on or after the first day of the hospital's fiscal  
248.29 year ending in 2017, the rate for outpatient hospital services shall be computed using  
248.30 information from each hospital's Medicare cost report as filed with Medicare for the year  
248.31 that is two years before the year that the rate is being computed. Rates shall be computed  
248.32 using information from Worksheet C series until the department finalizes the medical  
248.33 assistance cost reporting process for critical access hospitals. After the cost reporting process  
248.34 is finalized, rates shall be computed using information from Title XIX Worksheet D series.



249.1 The outpatient rate shall be equal to ancillary cost plus outpatient cost, excluding costs  
249.2 related to rural health clinics and federally qualified health clinics, divided by ancillary  
249.3 charges plus outpatient charges, excluding charges related to rural health clinics and federally  
249.4 qualified health clinics. Effective for services delivered on or after January 1, 2024, the  
249.5 rates paid to critical access hospitals under this section must be adjusted to include the  
249.6 amount of any distributions under section 62J.692, subdivision 4, paragraph (a), that were  
249.7 not included in the rate adjustment described under section 256.969, subdivision 2b,  
249.8 paragraph (k).

249.9 (c) Effective for services provided on or after July 1, 2003, rates that are based on the  
249.10 Medicare outpatient prospective payment system shall be replaced by a budget neutral  
249.11 prospective payment system that is derived using medical assistance data. The commissioner  
249.12 shall provide a proposal to the 2003 legislature to define and implement this provision.  
249.13 When implementing prospective payment methodologies, the commissioner shall use general  
249.14 methods and rate calculation parameters similar to the applicable Medicare prospective  
249.15 payment systems for services delivered in outpatient hospital and ambulatory surgical center  
249.16 settings unless other payment methodologies for these services are specified in this chapter.

249.17 (d) For fee-for-service services provided on or after July 1, 2002, the total payment,  
249.18 before third-party liability and spenddown, made to hospitals for outpatient hospital facility  
249.19 services is reduced by .5 percent from the current statutory rate.

249.20 (e) In addition to the reduction in paragraph (d), the total payment for fee-for-service  
249.21 services provided on or after July 1, 2003, made to hospitals for outpatient hospital facility  
249.22 services before third-party liability and spenddown, is reduced five percent from the current  
249.23 statutory rates. Facilities defined under section 256.969, subdivision 16, are excluded from  
249.24 this paragraph.

249.25 (f) In addition to the reductions in paragraphs (d) and (e), the total payment for  
249.26 fee-for-service services provided on or after July 1, 2008, made to hospitals for outpatient  
249.27 hospital facility services before third-party liability and spenddown, is reduced three percent  
249.28 from the current statutory rates. Mental health services and facilities defined under section  
249.29 256.969, subdivision 16, are excluded from this paragraph.

249.30 Sec. 18. Minnesota Statutes 2022, section 297F.10, subdivision 1, is amended to read:

249.31 Subdivision 1. **Tax and use tax on cigarettes.** Revenue received from cigarette taxes,  
249.32 as well as related penalties, interest, license fees, and miscellaneous sources of revenue  
249.33 shall be deposited by the commissioner in the state treasury and credited as follows:

250.1 (1) \$22,250,000 each year must be credited to the Academic Health Center special  
250.2 revenue fund hereby created and is annually appropriated to the Board of Regents at the  
250.3 University of Minnesota for Academic Health Center funding at the University of Minnesota;  
250.4 and

250.5 (2) ~~\$3,937,000~~ \$3,788,000 each year must be credited to the medical education and  
250.6 research costs account hereby created in the special revenue fund and is annually appropriated  
250.7 to the commissioner of health for distribution under section 62J.692, subdivision 4, paragraph  
250.8 (a); and

250.9 (3) the balance of the revenues derived from taxes, penalties, and interest (under this  
250.10 chapter) and from license fees and miscellaneous sources of revenue shall be credited to  
250.11 the general fund.

250.12 Sec. 19. **REPEALER.**

250.13 Minnesota Statutes 2022, sections 62J.692, subdivisions 4a, 7, and 7a; 137.38, subdivision  
250.14 1; and 256B.69, subdivision 5c, are repealed.

## 250.15 **ARTICLE 6**

### 250.16 **HEALTH LICENSING BOARDS**

250.17 Section 1. Minnesota Statutes 2022, section 144E.001, subdivision 1, is amended to read:

250.18 Subdivision 1. **Scope.** For the purposes of ~~sections 144E.001 to 144E.52~~ this chapter,  
250.19 the terms defined in this section have the meanings given them.

250.20 Sec. 2. Minnesota Statutes 2022, section 144E.001, is amended by adding a subdivision  
250.21 to read:

250.22 **Subd. 8b. Medical resource communication center.** "Medical resource communication  
250.23 center" means an entity that:

250.24 (1) facilitates hospital-to-ambulance communications for ambulance services, the regional  
250.25 emergency medical services systems, and the board by coordinating patient care and  
250.26 transportation for ground and air operations;

250.27 (2) is integrated with the state's Allied Radio Matrix for Emergency Response (ARMER)  
250.28 radio system; and

250.29 (3) is the point of contact and a communication resource for statewide public safety  
250.30 entities, hospitals, and communities.

251.1 Sec. 3. Minnesota Statutes 2022, section 144E.35, is amended to read:

251.2 **144E.35 REIMBURSEMENT TO NONPROFIT AMBULANCE SERVICES FOR**  
251.3 **VOLUNTEER EDUCATION COSTS.**

251.4 Subdivision 1. **Repayment for volunteer education.** A licensed ambulance service  
251.5 shall be reimbursed by the board for the necessary expense of the initial education of a  
251.6 volunteer ambulance attendant upon successful completion by the attendant of an EMT  
251.7 education course, or a continuing education course for EMT care, or both, which has been  
251.8 approved by the board, pursuant to section 144E.285. Reimbursement may include tuition,  
251.9 transportation, food, lodging, hourly payment for the time spent in the education course,  
251.10 and other necessary expenditures, except that in no instance shall a volunteer ambulance  
251.11 attendant be reimbursed more than ~~\$600~~ \$900 for successful completion of an initial  
251.12 education course, and ~~\$275~~ \$375 for successful completion of a continuing education course.

251.13 Subd. 2. **Reimbursement provisions.** Reimbursement ~~will~~ must be paid under provisions  
251.14 of this section when documentation is provided the board that the individual has served for  
251.15 one year from the date of the final certification exam as an active member of a Minnesota  
251.16 licensed ambulance service.

251.17 Sec. 4. **[144E.53] MEDICAL RESOURCE COMMUNICATION CENTER GRANTS.**

251.18 The board shall distribute medical resource communication center grants annually on a  
251.19 contract basis to the two medical resource communication centers that were in operation in  
251.20 the state prior to January 1, 2000.

251.21 Sec. 5. **[148.635] FEE.**

251.22 The fee for verification of licensure is \$20. The fee is nonrefundable.

251.23 Sec. 6. Minnesota Statutes 2022, section 148B.392, subdivision 2, is amended to read:

251.24 Subd. 2. **Licensure and application fees.** Licensure and application fees established  
251.25 by the board shall not exceed the following amounts:

251.26 (1) application fee for national examination is \$110;

251.27 (2) application fee for Licensed Marriage and Family Therapist (LMFT) state examination  
251.28 is \$110;

251.29 (3) initial LMFT license fee is prorated, but cannot exceed ~~\$125~~ \$225;

251.30 (4) annual renewal fee for LMFT license is \$125;

- 252.1 (5) late fee for LMFT license renewal is \$50;
- 252.2 (6) application fee for LMFT licensure by reciprocity is \$220;
- 252.3 (7) fee for initial Licensed Associate Marriage and Family Therapist (LAMFT) license
- 252.4 is \$75;
- 252.5 (8) annual renewal fee for LAMFT license is \$75;
- 252.6 (9) late fee for LAMFT renewal is \$25;
- 252.7 (10) fee for reinstatement of license is \$150;
- 252.8 (11) fee for emeritus status is \$125; and
- 252.9 (12) fee for temporary license for members of the military is \$100.

252.10 Sec. 7. Minnesota Statutes 2022, section 150A.08, subdivision 1, is amended to read:

252.11 Subdivision 1. **Grounds.** The board may refuse or by order suspend or revoke, limit or

252.12 modify by imposing conditions it deems necessary, the license of a dentist, dental therapist,

252.13 dental hygienist, or dental ~~assisting~~ assistant upon any of the following grounds:

252.14 (1) fraud or deception in connection with the practice of dentistry or the securing of a

252.15 license certificate;

252.16 (2) conviction, including a finding or verdict of guilt, an admission of guilt, or a no

252.17 contest plea, in any court of a felony or gross misdemeanor reasonably related to the practice

252.18 of dentistry as evidenced by a certified copy of the conviction;

252.19 (3) conviction, including a finding or verdict of guilt, an admission of guilt, or a no

252.20 contest plea, in any court of an offense involving moral turpitude as evidenced by a certified

252.21 copy of the conviction;

252.22 (4) habitual overindulgence in the use of intoxicating liquors;

252.23 (5) improper or unauthorized prescription, dispensing, administering, or personal or

252.24 other use of any legend drug as defined in chapter 151, of any chemical as defined in chapter

252.25 151, or of any controlled substance as defined in chapter 152;

252.26 (6) conduct unbecoming a person licensed to practice dentistry, dental therapy, dental

252.27 hygiene, or dental assisting, or conduct contrary to the best interest of the public, as such

252.28 conduct is defined by the rules of the board;

252.29 (7) gross immorality;

253.1 (8) any physical, mental, emotional, or other disability which adversely affects a dentist's,  
253.2 dental therapist's, dental hygienist's, or dental assistant's ability to perform the service for  
253.3 which the person is licensed;

253.4 (9) revocation or suspension of a license or equivalent authority to practice, or other  
253.5 disciplinary action or denial of a license application taken by a licensing or credentialing  
253.6 authority of another state, territory, or country as evidenced by a certified copy of the  
253.7 licensing authority's order, if the disciplinary action or application denial was based on facts  
253.8 that would provide a basis for disciplinary action under this chapter and if the action was  
253.9 taken only after affording the credentialed person or applicant notice and opportunity to  
253.10 refute the allegations or pursuant to stipulation or other agreement;

253.11 (10) failure to maintain adequate safety and sanitary conditions for a dental office in  
253.12 accordance with the standards established by the rules of the board;

253.13 (11) employing, assisting, or enabling in any manner an unlicensed person to practice  
253.14 dentistry;

253.15 (12) failure or refusal to attend, testify, and produce records as directed by the board  
253.16 under subdivision 7;

253.17 (13) violation of, or failure to comply with, any other provisions of sections 150A.01 to  
253.18 150A.12, the rules of the Board of Dentistry, or any disciplinary order issued by the board,  
253.19 sections 144.291 to 144.298 or 595.02, subdivision 1, paragraph (d), or for any other just  
253.20 cause related to the practice of dentistry. Suspension, revocation, modification or limitation  
253.21 of any license shall not be based upon any judgment as to therapeutic or monetary value of  
253.22 any individual drug prescribed or any individual treatment rendered, but only upon a repeated  
253.23 pattern of conduct;

253.24 (14) knowingly providing false or misleading information that is directly related to the  
253.25 care of that patient unless done for an accepted therapeutic purpose such as the administration  
253.26 of a placebo; or

253.27 (15) aiding suicide or aiding attempted suicide in violation of section 609.215 as  
253.28 established by any of the following:

253.29 (i) a copy of the record of criminal conviction or plea of guilty for a felony in violation  
253.30 of section 609.215, subdivision 1 or 2;

253.31 (ii) a copy of the record of a judgment of contempt of court for violating an injunction  
253.32 issued under section 609.215, subdivision 4;

254.1 (iii) a copy of the record of a judgment assessing damages under section 609.215,  
254.2 subdivision 5; or

254.3 (iv) a finding by the board that the person violated section 609.215, subdivision 1 or 2.  
254.4 The board shall investigate any complaint of a violation of section 609.215, subdivision 1  
254.5 or 2.

254.6 Sec. 8. Minnesota Statutes 2022, section 150A.08, subdivision 5, is amended to read:

254.7 Subd. 5. **Medical examinations.** If the board has probable cause to believe that a dentist,  
254.8 dental therapist, dental hygienist, dental assistant, or applicant engages in acts described in  
254.9 subdivision 1, clause (4) or (5), or has a condition described in subdivision 1, clause (8), it  
254.10 shall direct the dentist, dental therapist, dental hygienist, dental assistant, or applicant to  
254.11 submit to a mental or physical examination or a substance use disorder assessment. For the  
254.12 purpose of this subdivision, every dentist, dental therapist, dental hygienist, or dental assistant  
254.13 licensed under this chapter or person submitting an application for a license is deemed to  
254.14 have given consent to submit to a mental or physical examination when directed in writing  
254.15 by the board and to have waived all objections in any proceeding under this section to the  
254.16 admissibility of the examining physician's testimony or examination reports on the ground  
254.17 that they constitute a privileged communication. Failure to submit to an examination without  
254.18 just cause may result in an application being denied or a default and final order being entered  
254.19 without the taking of testimony or presentation of evidence, other than evidence which may  
254.20 be submitted by affidavit, that the licensee or applicant did not submit to the examination.  
254.21 A dentist, dental therapist, dental hygienist, dental assistant, or applicant affected under this  
254.22 section shall at reasonable intervals be afforded an opportunity to demonstrate ability to  
254.23 start or resume the competent practice of dentistry or perform the duties of a dental therapist,  
254.24 dental hygienist, or dental assistant with reasonable skill and safety to patients. In any  
254.25 proceeding under this subdivision, neither the record of proceedings nor the orders entered  
254.26 by the board is admissible, is subject to subpoena, or may be used against the dentist, dental  
254.27 therapist, dental hygienist, dental assistant, or applicant in any proceeding not commenced  
254.28 by the board. Information obtained under this subdivision shall be classified as private  
254.29 pursuant to the Minnesota Government Data Practices Act.

254.30 Sec. 9. Minnesota Statutes 2022, section 150A.091, is amended by adding a subdivision  
254.31 to read:

254.32 Subd. 23. **Mailing list services.** Each licensee must submit a nonrefundable \$5 fee to  
254.33 request a mailing address list.

255.1 Sec. 10. Minnesota Statutes 2022, section 150A.13, subdivision 10, is amended to read:

255.2 Subd. 10. **Failure to report.** ~~On or after August 1, 2012,~~ Any person, institution, insurer,  
255.3 or organization that fails to report as required under subdivisions 2 to 6 shall be subject to  
255.4 civil penalties for failing to report as required by law.

255.5 Sec. 11. Minnesota Statutes 2022, section 151.065, subdivision 1, is amended to read:

255.6 Subdivision 1. **Application fees.** Application fees for licensure and registration are as  
255.7 follows:

255.8 (1) pharmacist licensed by examination, ~~\$175~~ \$225;

255.9 (2) pharmacist licensed by reciprocity, ~~\$275~~ \$300;

255.10 (3) pharmacy intern, \$50;

255.11 (4) pharmacy technician, \$50;

255.12 (5) pharmacy, ~~\$260~~ \$450;

255.13 (6) drug wholesaler, legend drugs only, ~~\$5,260~~ \$5,500;

255.14 (7) drug wholesaler, legend and nonlegend drugs, ~~\$5,260~~ \$5,500;

255.15 (8) drug wholesaler, nonlegend drugs, veterinary legend drugs, or both, ~~\$5,260~~ \$5,500;

255.16 (9) drug wholesaler, medical gases, ~~\$5,260~~ \$5,500 for the first facility and ~~\$260~~ \$500  
255.17 for each additional facility;

255.18 (10) third-party logistics provider, \$260;

255.19 (11) drug manufacturer, nonopiate legend drugs only, ~~\$5,260~~ \$5,500;

255.20 (12) drug manufacturer, nonopiate legend and nonlegend drugs, ~~\$5,260~~ \$5,500;

255.21 (13) drug manufacturer, nonlegend or veterinary legend drugs, ~~\$5,260~~ \$5,500;

255.22 (14) drug manufacturer, medical gases, ~~\$5,260~~ \$5,500 for the first facility and ~~\$260~~  
255.23 \$500 for each additional facility;

255.24 (15) drug manufacturer, also licensed as a pharmacy in Minnesota, ~~\$5,260~~ \$5,500;

255.25 (16) drug manufacturer of opiate-containing controlled substances listed in section  
255.26 152.02, subdivisions 3 to 5, ~~\$55,260~~ \$55,500;

255.27 (17) medical gas dispenser, ~~\$260~~ \$400;

255.28 (18) controlled substance researcher, \$75; and

256.1 (19) pharmacy professional corporation, \$150.

256.2 Sec. 12. Minnesota Statutes 2022, section 151.065, subdivision 2, is amended to read:

256.3 Subd. 2. **Original license fee.** The pharmacist original licensure fee, ~~\$175~~ \$225.

256.4 Sec. 13. Minnesota Statutes 2022, section 151.065, subdivision 3, is amended to read:

256.5 Subd. 3. **Annual renewal fees.** Annual licensure and registration renewal fees are as  
256.6 follows:

256.7 (1) pharmacist, ~~\$175~~ \$225;

256.8 (2) pharmacy technician, \$50;

256.9 (3) pharmacy, ~~\$260~~ \$450;

256.10 (4) drug wholesaler, legend drugs only, ~~\$5,260~~ \$5,500;

256.11 (5) drug wholesaler, legend and nonlegend drugs, ~~\$5,260~~ \$5,500;

256.12 (6) drug wholesaler, nonlegend drugs, veterinary legend drugs, or both, ~~\$5,260~~ \$5,500;

256.13 (7) drug wholesaler, medical gases, ~~\$5,260~~ \$5,500 for the first facility and ~~\$260~~ \$500

256.14 for each additional facility;

256.15 (8) third-party logistics provider, \$260;

256.16 (9) drug manufacturer, nonopiate legend drugs only, ~~\$5,260~~ \$5,500;

256.17 (10) drug manufacturer, nonopiate legend and nonlegend drugs, ~~\$5,260~~ \$5,500;

256.18 (11) drug manufacturer, nonlegend, veterinary legend drugs, or both, ~~\$5,260~~ \$5,500;

256.19 (12) drug manufacturer, medical gases, ~~\$5,260~~ \$5,500 for the first facility and ~~\$260~~

256.20 \$500 for each additional facility;

256.21 (13) drug manufacturer, also licensed as a pharmacy in Minnesota, ~~\$5,260~~ \$5,500;

256.22 (14) drug manufacturer of opiate-containing controlled substances listed in section

256.23 152.02, subdivisions 3 to 5, ~~\$55,260~~ \$55,500;

256.24 (15) medical gas dispenser, ~~\$260~~ \$400;

256.25 (16) controlled substance researcher, \$75; and

256.26 (17) pharmacy professional corporation, \$100.



257.1 Sec. 14. Minnesota Statutes 2022, section 151.065, subdivision 4, is amended to read:

257.2 Subd. 4. **Miscellaneous fees.** Fees for issuance of affidavits and duplicate licenses and  
257.3 certificates are as follows:

257.4 (1) intern affidavit, ~~\$20~~ \$30;

257.5 (2) duplicate small license, ~~\$20~~ \$30; and

257.6 (3) duplicate large certificate, \$30.

257.7 Sec. 15. Minnesota Statutes 2022, section 151.065, subdivision 6, is amended to read:

257.8 Subd. 6. **Reinstatement fees.** (a) A pharmacist who has allowed the pharmacist's license  
257.9 to lapse may reinstate the license with board approval and upon payment of any fees and  
257.10 late fees in arrears, up to a maximum of \$1,000.

257.11 (b) A pharmacy technician who has allowed the technician's registration to lapse may  
257.12 reinstate the registration with board approval and upon payment of any fees and late fees  
257.13 in arrears, up to a maximum of ~~\$90~~ \$250.

257.14 (c) An owner of a pharmacy, a drug wholesaler, a drug manufacturer, third-party logistics  
257.15 provider, or a medical gas dispenser who has allowed the license of the establishment to  
257.16 lapse may reinstate the license with board approval and upon payment of any fees and late  
257.17 fees in arrears.

257.18 (d) A controlled substance researcher who has allowed the researcher's registration to  
257.19 lapse may reinstate the registration with board approval and upon payment of any fees and  
257.20 late fees in arrears.

257.21 (e) A pharmacist owner of a professional corporation who has allowed the corporation's  
257.22 registration to lapse may reinstate the registration with board approval and upon payment  
257.23 of any fees and late fees in arrears.

257.24 Sec. 16. Minnesota Statutes 2022, section 151.555, is amended to read:

257.25 **151.555 ~~PRESCRIPTION DRUG~~ REPOSITORY PROGRAM.**

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

257.28 (b) "Central repository" means a wholesale distributor that meets the requirements under  
257.29 subdivision 3 and enters into a contract with the Board of Pharmacy in accordance with this  
257.30 section.

- 258.1 (c) "Distribute" means to deliver, other than by administering or dispensing.
- 258.2 (d) "Donor" means:
- 258.3 (1) a health care facility as defined in this subdivision;
- 258.4 (2) a skilled nursing facility licensed under chapter 144A;
- 258.5 (3) an assisted living facility licensed under chapter 144G;
- 258.6 (4) a pharmacy licensed under section 151.19, and located either in the state or outside
- 258.7 the state;
- 258.8 (5) a drug wholesaler licensed under section 151.47;
- 258.9 (6) a drug manufacturer licensed under section 151.252; or
- 258.10 (7) an individual at least 18 years of age, provided that the drug or medical supply that
- 258.11 is donated was obtained legally and meets the requirements of this section for donation.
- 258.12 (e) "Drug" means any prescription drug that has been approved for medical use in the
- 258.13 United States, is listed in the United States Pharmacopoeia or National Formulary, and
- 258.14 meets the criteria established under this section for donation; or any over-the-counter
- 258.15 medication that meets the criteria established under this section for donation. This definition
- 258.16 includes cancer drugs and antirejection drugs, but does not include controlled substances,
- 258.17 as defined in section 152.01, subdivision 4, or a prescription drug that can only be dispensed
- 258.18 to a patient registered with the drug's manufacturer in accordance with federal Food and
- 258.19 Drug Administration requirements.
- 258.20 (f) "Health care facility" means:
- 258.21 (1) a physician's office or health care clinic where licensed practitioners provide health
- 258.22 care to patients;
- 258.23 (2) a hospital licensed under section 144.50;
- 258.24 (3) a pharmacy licensed under section 151.19 and located in Minnesota; or
- 258.25 (4) a nonprofit community clinic, including a federally qualified health center; a rural
- 258.26 health clinic; public health clinic; or other community clinic that provides health care utilizing
- 258.27 a sliding fee scale to patients who are low-income, uninsured, or underinsured.
- 258.28 (g) "Local repository" means a health care facility that elects to accept donated drugs
- 258.29 and medical supplies and meets the requirements of subdivision 4.
- 258.30 (h) "Medical supplies" or "supplies" means any prescription ~~and~~ or nonprescription
- 258.31 medical supplies needed to administer a ~~prescription~~ drug.

259.1 (i) "Original, sealed, unopened, tamper-evident packaging" means packaging that is  
259.2 sealed, unopened, and tamper-evident, including a manufacturer's original unit dose or  
259.3 unit-of-use container, a repackager's original unit dose or unit-of-use container, or unit-dose  
259.4 packaging prepared by a licensed pharmacy according to the standards of Minnesota Rules,  
259.5 part 6800.3750.

259.6 (j) "Practitioner" has the meaning given in section 151.01, subdivision 23, except that  
259.7 it does not include a veterinarian.

259.8 Subd. 2. **Establishment; contract and oversight.** ~~By January 1, 2020,~~ (a) The Board  
259.9 of Pharmacy shall establish a ~~drug~~ medication repository program, through which donors  
259.10 may donate a drug or medical supply for use by an individual who meets the eligibility  
259.11 criteria specified under subdivision 5.

259.12 (b) The board shall contract with a central repository that meets the requirements of  
259.13 subdivision 3 to implement and administer the ~~prescription drug~~ medication repository  
259.14 program. The contract must:

259.15 (1) require payment by the board to the central repository any amount appropriated by  
259.16 the legislature for the operation and administration of the medication repository program;

259.17 (2) require the central repository to report the following performance measures to the  
259.18 board:

259.19 (i) the number of individuals served and the types of medications these individuals  
259.20 received;

259.21 (ii) the number of clinics, pharmacies, and long-term care facilities with which the central  
259.22 repository partnered;

259.23 (iii) the number and cost of medications accepted for inventory, disposed of, and  
259.24 dispensed to individuals in need; and

259.25 (iv) locations within the state to which medications were shipped or delivered; and

259.26 (3) require the board to annually audit the expenditure by the central repository of any  
259.27 money appropriated by the legislature and paid under a contract by the board to ensure that  
259.28 the amount appropriated is used only for purposes specified in the contract.

259.29 Subd. 3. **Central repository requirements.** (a) The board may publish a request for  
259.30 proposal for participants who meet the requirements of this subdivision and are interested  
259.31 in acting as the central repository for the ~~drug~~ medication repository program. If the board  
259.32 publishes a request for proposal, it shall follow all applicable state procurement procedures

260.1 in the selection process. The board may also work directly with the University of Minnesota  
260.2 to establish a central repository.

260.3 (b) To be eligible to act as the central repository, the participant must be a wholesale  
260.4 drug distributor located in Minnesota, licensed pursuant to section 151.47, and in compliance  
260.5 with all applicable federal and state statutes, rules, and regulations.

260.6 (c) The central repository shall be subject to inspection by the board pursuant to section  
260.7 151.06, subdivision 1.

260.8 (d) The central repository shall comply with all applicable federal and state laws, rules,  
260.9 and regulations pertaining to the ~~drug~~ medication repository program, drug storage, and  
260.10 dispensing. The facility must maintain in good standing any state license or registration that  
260.11 applies to the facility.

260.12 **Subd. 4. Local repository requirements.** (a) To be eligible for participation in the ~~drug~~  
260.13 medication repository program, a health care facility must agree to comply with all applicable  
260.14 federal and state laws, rules, and regulations pertaining to the ~~drug~~ medication repository  
260.15 program, drug storage, and dispensing. The facility must also agree to maintain in good  
260.16 standing any required state license or registration that may apply to the facility.

260.17 (b) A local repository may elect to participate in the program by submitting the following  
260.18 information to the central repository on a form developed by the board and made available  
260.19 on the board's website:

260.20 (1) the name, street address, and telephone number of the health care facility and any  
260.21 state-issued license or registration number issued to the facility, including the issuing state  
260.22 agency;

260.23 (2) the name and telephone number of a responsible pharmacist or practitioner who is  
260.24 employed by or under contract with the health care facility; and

260.25 (3) a statement signed and dated by the responsible pharmacist or practitioner indicating  
260.26 that the health care facility meets the eligibility requirements under this section and agrees  
260.27 to comply with this section.

260.28 (c) Participation in the ~~drug~~ medication repository program is voluntary. A local  
260.29 repository may withdraw from participation in the ~~drug~~ medication repository program at  
260.30 any time by providing written notice to the central repository on a form developed by the  
260.31 board and made available on the board's website. The central repository shall provide the  
260.32 board with a copy of the withdrawal notice within ten business days from the date of receipt  
260.33 of the withdrawal notice.

261.1 Subd. 5. **Individual eligibility and application requirements.** (a) To be eligible for  
261.2 the ~~drug~~ drug medication repository program, an individual must submit to a local repository an  
261.3 intake application form that is signed by the individual and attests that the individual:

261.4 (1) is a resident of Minnesota;

261.5 (2) is uninsured and is not enrolled in the medical assistance program under chapter  
261.6 256B or the MinnesotaCare program under chapter 256L, has no prescription drug coverage,  
261.7 or is underinsured;

261.8 (3) acknowledges that the drugs or medical supplies to be received through the program  
261.9 may have been donated; and

261.10 (4) consents to a waiver of the child-resistant packaging requirements of the federal  
261.11 Poison Prevention Packaging Act.

261.12 (b) Upon determining that an individual is eligible for the program, the local repository  
261.13 shall furnish the individual with an identification card. The card shall be valid for one year  
261.14 from the date of issuance and may be used at any local repository. A new identification card  
261.15 may be issued upon expiration once the individual submits a new application form.

261.16 (c) The local repository shall send a copy of the intake application form to the central  
261.17 repository by regular mail, facsimile, or secured email within ten days from the date the  
261.18 application is approved by the local repository.

261.19 (d) The board shall develop and make available on the board's website an application  
261.20 form and the format for the identification card.

261.21 Subd. 6. **Standards and procedures for accepting donations of drugs and supplies.** (a)  
261.22 A donor may donate ~~prescription~~ drugs or medical supplies to the central repository or a  
261.23 local repository if the drug or supply meets the requirements of this section as determined  
261.24 by a pharmacist or practitioner who is employed by or under contract with the central  
261.25 repository or a local repository.

261.26 (b) A ~~prescription~~ drug is eligible for donation under the ~~drug~~ drug medication repository  
261.27 program if the following requirements are met:

261.28 (1) the donation is accompanied by a ~~drug~~ drug medication repository donor form described  
261.29 under paragraph (d) that is signed by an individual who is authorized by the donor to attest  
261.30 to the donor's knowledge in accordance with paragraph (d);

261.31 (2) the drug's expiration date is at least six months after the date the drug was donated.  
261.32 If a donated drug bears an expiration date that is less than six months from the donation

262.1 date, the drug may be accepted and distributed if the drug is in high demand and can be  
262.2 dispensed for use by a patient before the drug's expiration date;

262.3 (3) the drug is in its original, sealed, unopened, tamper-evident packaging that includes  
262.4 the expiration date. Single-unit-dose drugs may be accepted if the single-unit-dose packaging  
262.5 is unopened;

262.6 (4) the drug or the packaging does not have any physical signs of tampering, misbranding,  
262.7 deterioration, compromised integrity, or adulteration;

262.8 (5) the drug does not require storage temperatures other than normal room temperature  
262.9 as specified by the manufacturer or United States Pharmacopoeia, unless the drug is being  
262.10 donated directly by its manufacturer, a wholesale drug distributor, or a pharmacy located  
262.11 in Minnesota; and

262.12 (6) the ~~prescription~~ drug is not a controlled substance.

262.13 (c) A medical supply is eligible for donation under the ~~drug~~ medication repository  
262.14 program if the following requirements are met:

262.15 (1) the supply has no physical signs of tampering, misbranding, or alteration and there  
262.16 is no reason to believe it has been adulterated, tampered with, or misbranded;

262.17 (2) the supply is in its original, unopened, sealed packaging;

262.18 (3) the donation is accompanied by a ~~drug~~ medication repository donor form described  
262.19 under paragraph (d) that is signed by an individual who is authorized by the donor to attest  
262.20 to the donor's knowledge in accordance with paragraph (d); and

262.21 (4) if the supply bears an expiration date, the date is at least six months later than the  
262.22 date the supply was donated. If the donated supply bears an expiration date that is less than  
262.23 six months from the date the supply was donated, the supply may be accepted and distributed  
262.24 if the supply is in high demand and can be dispensed for use by a patient before the supply's  
262.25 expiration date.

262.26 (d) The board shall develop the ~~drug~~ medication repository donor form and make it  
262.27 available on the board's website. The form must state that to the best of the donor's knowledge  
262.28 the donated drug or supply has been properly stored under appropriate temperature and  
262.29 humidity conditions and that the drug or supply has never been opened, used, tampered  
262.30 with, adulterated, or misbranded.

262.31 (e) Donated drugs and supplies may be shipped or delivered to the premises of the central  
262.32 repository or a local repository, and shall be inspected by a pharmacist or an authorized

263.1 practitioner who is employed by or under contract with the repository and who has been  
263.2 designated by the repository to accept donations. A drop box must not be used to deliver  
263.3 or accept donations.

263.4 (f) The central repository and local repository shall inventory all drugs and supplies  
263.5 donated to the repository. For each drug, the inventory must include the drug's name, strength,  
263.6 quantity, manufacturer, expiration date, and the date the drug was donated. For each medical  
263.7 supply, the inventory must include a description of the supply, its manufacturer, the date  
263.8 the supply was donated, and, if applicable, the supply's brand name and expiration date.

263.9 **Subd. 7. Standards and procedures for inspecting and storing donated ~~prescription~~**  
263.10 **drugs and supplies.** (a) A pharmacist or authorized practitioner who is employed by or  
263.11 under contract with the central repository or a local repository shall inspect all donated  
263.12 ~~prescription~~ drugs and supplies before the drug or supply is dispensed to determine, to the  
263.13 extent reasonably possible in the professional judgment of the pharmacist or practitioner,  
263.14 that the drug or supply is not adulterated or misbranded, has not been tampered with, is safe  
263.15 and suitable for dispensing, has not been subject to a recall, and meets the requirements for  
263.16 donation. The pharmacist or practitioner who inspects the drugs or supplies shall sign an  
263.17 inspection record stating that the requirements for donation have been met. If a local  
263.18 repository receives drugs and supplies from the central repository, the local repository does  
263.19 not need to reinspect the drugs and supplies.

263.20 (b) The central repository and local repositories shall store donated drugs and supplies  
263.21 in a secure storage area under environmental conditions appropriate for the drug or supply  
263.22 being stored. Donated drugs and supplies may not be stored with nondonated inventory.

263.23 (c) The central repository and local repositories shall dispose of all ~~prescription~~ drugs  
263.24 and medical supplies that are not suitable for donation in compliance with applicable federal  
263.25 and state statutes, regulations, and rules concerning hazardous waste.

263.26 (d) In the event that controlled substances or ~~prescription~~ drugs that can only be dispensed  
263.27 to a patient registered with the drug's manufacturer are shipped or delivered to a central or  
263.28 local repository for donation, the shipment delivery must be documented by the repository  
263.29 and returned immediately to the donor or the donor's representative that provided the drugs.

263.30 (e) Each repository must develop drug and medical supply recall policies and procedures.  
263.31 If a repository receives a recall notification, the repository shall destroy all of the drug or  
263.32 medical supply in its inventory that is the subject of the recall and complete a record of  
263.33 destruction form in accordance with paragraph (f). If a drug or medical supply that is the  
263.34 subject of a Class I or Class II recall has been dispensed, the repository shall immediately

264.1 notify the recipient of the recalled drug or medical supply. A drug that potentially is subject  
264.2 to a recall need not be destroyed if its packaging bears a lot number and that lot of the drug  
264.3 is not subject to the recall. If no lot number is on the drug's packaging, it must be destroyed.

264.4 (f) A record of destruction of donated drugs and supplies that are not dispensed under  
264.5 subdivision 8, are subject to a recall under paragraph (e), or are not suitable for donation  
264.6 shall be maintained by the repository for at least two years. For each drug or supply destroyed,  
264.7 the record shall include the following information:

264.8 (1) the date of destruction;

264.9 (2) the name, strength, and quantity of the drug destroyed; and

264.10 (3) the name of the person or firm that destroyed the drug.

264.11 **Subd. 8. Dispensing requirements.** (a) Donated drugs and supplies may be dispensed  
264.12 if the drugs or supplies are prescribed by a practitioner for use by an eligible individual and  
264.13 are dispensed by a pharmacist or practitioner. A repository shall dispense drugs and supplies  
264.14 to eligible individuals in the following priority order: (1) individuals who are uninsured;  
264.15 (2) individuals with no prescription drug coverage; and (3) individuals who are underinsured.  
264.16 A repository shall dispense donated ~~prescription~~ drugs in compliance with applicable federal  
264.17 and state laws and regulations for dispensing ~~prescription~~ drugs, including all requirements  
264.18 relating to packaging, labeling, record keeping, drug utilization review, and patient  
264.19 counseling.

264.20 (b) Before dispensing or administering a drug or supply, the pharmacist or practitioner  
264.21 shall visually inspect the drug or supply for adulteration, misbranding, tampering, and date  
264.22 of expiration. Drugs or supplies that have expired or appear upon visual inspection to be  
264.23 adulterated, misbranded, or tampered with in any way must not be dispensed or administered.

264.24 (c) Before a drug or supply is dispensed or administered to an individual, the individual  
264.25 must sign a drug repository recipient form acknowledging that the individual understands  
264.26 the information stated on the form. The board shall develop the form and make it available  
264.27 on the board's website. The form must include the following information:

264.28 (1) that the drug or supply being dispensed or administered has been donated and may  
264.29 have been previously dispensed;

264.30 (2) that a visual inspection has been conducted by the pharmacist or practitioner to ensure  
264.31 that the drug or supply has not expired, has not been adulterated or misbranded, and is in  
264.32 its original, unopened packaging; and



265.1 (3) that the dispensing pharmacist, the dispensing or administering practitioner, the  
265.2 central repository or local repository, the Board of Pharmacy, and any other participant of  
265.3 the ~~drug~~ medication repository program cannot guarantee the safety of the drug or medical  
265.4 supply being dispensed or administered and that the pharmacist or practitioner has determined  
265.5 that the drug or supply is safe to dispense or administer based on the accuracy of the donor's  
265.6 form submitted with the donated drug or medical supply and the visual inspection required  
265.7 to be performed by the pharmacist or practitioner before dispensing or administering.

265.8 Subd. 9. **Handling fees.** (a) The central or local repository may charge the individual  
265.9 receiving a drug or supply a handling fee of no more than 250 percent of the medical  
265.10 assistance program dispensing fee for each drug or medical supply dispensed or administered  
265.11 by that repository.

265.12 (b) A repository that dispenses or administers a drug or medical supply through the ~~drug~~  
265.13 medication repository program shall not receive reimbursement under the medical assistance  
265.14 program or the MinnesotaCare program for that dispensed or administered drug or supply.

265.15 Subd. 10. **Distribution of donated drugs and supplies.** (a) The central repository and  
265.16 local repositories may distribute drugs and supplies donated under the ~~drug~~ medication  
265.17 repository program to other participating repositories for use pursuant to this program.

265.18 (b) A local repository that elects not to dispense donated drugs or supplies must transfer  
265.19 all donated drugs and supplies to the central repository. A copy of the donor form that was  
265.20 completed by the original donor under subdivision 6 must be provided to the central  
265.21 repository at the time of transfer.

265.22 Subd. 11. **Forms and record-keeping requirements.** (a) The following forms developed  
265.23 for the administration of this program shall be utilized by the participants of the program  
265.24 and shall be available on the board's website:

265.25 (1) intake application form described under subdivision 5;

265.26 (2) local repository participation form described under subdivision 4;

265.27 (3) local repository withdrawal form described under subdivision 4;

265.28 (4) ~~drug~~ medication repository donor form described under subdivision 6;

265.29 (5) record of destruction form described under subdivision 7; and

265.30 (6) ~~drug~~ medication repository recipient form described under subdivision 8.

265.31 (b) All records, including drug inventory, inspection, and disposal of donated ~~prescription~~  
265.32 drugs and medical supplies, must be maintained by a repository for a minimum of two years.

266.1 Records required as part of this program must be maintained pursuant to all applicable  
266.2 practice acts.

266.3 (c) Data collected by the ~~drug~~ medication repository program from all local repositories  
266.4 shall be submitted quarterly or upon request to the central repository. Data collected may  
266.5 consist of the information, records, and forms required to be collected under this section.

266.6 (d) The central repository shall submit reports to the board as required by the contract  
266.7 or upon request of the board.

266.8 Subd. 12. **Liability.** (a) The manufacturer of a drug or supply is not subject to criminal  
266.9 or civil liability for injury, death, or loss to a person or to property for causes of action  
266.10 described in clauses (1) and (2). A manufacturer is not liable for:

266.11 (1) the intentional or unintentional alteration of the drug or supply by a party not under  
266.12 the control of the manufacturer; or

266.13 (2) the failure of a party not under the control of the manufacturer to transfer or  
266.14 communicate product or consumer information or the expiration date of the donated drug  
266.15 or supply.

266.16 (b) A health care facility participating in the program, a pharmacist dispensing a drug  
266.17 or supply pursuant to the program, a practitioner dispensing or administering a drug or  
266.18 supply pursuant to the program, or a donor of a drug or medical supply is immune from  
266.19 civil liability for an act or omission that causes injury to or the death of an individual to  
266.20 whom the drug or supply is dispensed and no disciplinary action by a health-related licensing  
266.21 board shall be taken against a pharmacist or practitioner so long as the drug or supply is  
266.22 donated, accepted, distributed, and dispensed according to the requirements of this section.  
266.23 This immunity does not apply if the act or omission involves reckless, wanton, or intentional  
266.24 misconduct, or malpractice unrelated to the quality of the drug or medical supply.

266.25 Subd. 13. **Drug returned for credit.** Nothing in this section allows a long-term care  
266.26 facility to donate a drug to a central or local repository when federal or state law requires  
266.27 the drug to be returned to the pharmacy that initially dispensed it, so that the pharmacy can  
266.28 credit the payer for the amount of the drug returned.

266.29 Subd. 14. **Cooperation.** The central repository, as approved by the Board of Pharmacy,  
266.30 may enter into an agreement with another state that has an established drug repository or  
266.31 drug donation program if the other state's program includes regulations to ensure the purity,  
266.32 integrity, and safety of the drugs and supplies donated, to permit the central repository to  
266.33 offer to another state program inventory that is not needed by a Minnesota resident and to

267.1 accept inventory from another state program to be distributed to local repositories and  
267.2 dispensed to Minnesota residents in accordance with this program.

267.3 Subd. 15. **Funding.** The central repository may seek grants and other money from  
267.4 nonprofit charitable organizations, the federal government, and other sources to fund the  
267.5 ongoing operations of the medication repository program.

267.6 Sec. 17. Minnesota Statutes 2022, section 151.74, subdivision 3, is amended to read:

267.7 **Subd. 3. Access to urgent-need insulin.** (a) MNsure shall develop an application form  
267.8 to be used by an individual who is in urgent need of insulin. The application must ask the  
267.9 individual to attest to the eligibility requirements described in subdivision 2. The form shall  
267.10 be accessible through MNsure's website. MNsure shall also make the form available to  
267.11 pharmacies and health care providers who prescribe or dispense insulin, hospital emergency  
267.12 departments, urgent care clinics, and community health clinics. By submitting a completed,  
267.13 signed, and dated application to a pharmacy, the individual attests that the information  
267.14 contained in the application is correct.

267.15 (b) If the individual is in urgent need of insulin, the individual may present a completed,  
267.16 signed, and dated application form to a pharmacy. The individual must also:

267.17 (1) have a valid insulin prescription; and

267.18 (2) present the pharmacist with identification indicating Minnesota residency in the form  
267.19 of a valid Minnesota identification card, driver's license or permit, individual taxpayer  
267.20 identification number, or Tribal identification card as defined in section 171.072, paragraph

267.21 (b). If the individual in urgent need of insulin is under the age of 18, the individual's parent  
267.22 or legal guardian must provide the pharmacist with proof of residency.

267.23 (c) Upon receipt of a completed and signed application, the pharmacist shall dispense  
267.24 the prescribed insulin in an amount that will provide the individual with a 30-day supply.  
267.25 The pharmacy must notify the health care practitioner who issued the prescription order no  
267.26 later than 72 hours after the insulin is dispensed.

267.27 (d) The pharmacy may submit to the manufacturer of the dispensed insulin product or  
267.28 to the manufacturer's vendor a claim for payment that is in accordance with the National  
267.29 Council for Prescription Drug Program standards for electronic claims processing, unless  
267.30 the manufacturer agrees to send to the pharmacy a replacement supply of the same insulin  
267.31 as dispensed in the amount dispensed. If the pharmacy submits an electronic claim to the  
267.32 manufacturer or the manufacturer's vendor, the manufacturer or vendor shall reimburse the  
267.33 pharmacy in an amount that covers the pharmacy's acquisition cost.

268.1 (e) The pharmacy may collect an insulin co-payment from the individual to cover the  
268.2 pharmacy's costs of processing and dispensing in an amount not to exceed \$35 for the 30-day  
268.3 supply of insulin dispensed.

268.4 (f) The pharmacy shall also provide each eligible individual with the information sheet  
268.5 described in subdivision 7 and a list of trained navigators provided by the Board of Pharmacy  
268.6 for the individual to contact if the individual is in need of accessing ongoing insulin coverage  
268.7 options, including assistance in:

268.8 (1) applying for medical assistance or MinnesotaCare;

268.9 (2) applying for a qualified health plan offered through MNsure, subject to open and  
268.10 special enrollment periods;

268.11 (3) accessing information on providers who participate in prescription drug discount  
268.12 programs, including providers who are authorized to participate in the 340B program under  
268.13 section 340b of the federal Public Health Services Act, United States Code, title 42, section  
268.14 256b; and

268.15 (4) accessing insulin manufacturers' patient assistance programs, co-payment assistance  
268.16 programs, and other foundation-based programs.

268.17 (g) The pharmacist shall retain a copy of the application form submitted by the individual  
268.18 to the pharmacy for reporting and auditing purposes.

268.19 Sec. 18. Minnesota Statutes 2022, section 151.74, subdivision 4, is amended to read:

268.20 Subd. 4. **Continuing safety net program; general.** (a) Each manufacturer shall make  
268.21 a patient assistance program available to any individual who meets the requirements of this  
268.22 subdivision. Each manufacturer's patient assistance programs must meet the requirements  
268.23 of this section. Each manufacturer shall provide the Board of Pharmacy with information  
268.24 regarding the manufacturer's patient assistance program, including contact information for  
268.25 individuals to call for assistance in accessing their patient assistance program.

268.26 (b) To be eligible to participate in a manufacturer's patient assistance program, the  
268.27 individual must:

268.28 (1) be a Minnesota resident with a valid Minnesota identification card that indicates  
268.29 Minnesota residency in the form of a Minnesota identification card, driver's license or  
268.30 permit, individual taxpayer identification number, or Tribal identification card as defined  
268.31 in section 171.072, paragraph (b). If the individual is under the age of 18, the individual's  
268.32 parent or legal guardian must provide proof of residency;

269.1 (2) have a family income that is equal to or less than 400 percent of the federal poverty  
269.2 guidelines;

269.3 (3) not be enrolled in medical assistance or MinnesotaCare;

269.4 (4) not be eligible to receive health care through a federally funded program or receive  
269.5 prescription drug benefits through the Department of Veterans Affairs; and

269.6 (5) not be enrolled in prescription drug coverage through an individual or group health  
269.7 plan that limits the total amount of cost-sharing that an enrollee is required to pay for a  
269.8 30-day supply of insulin, including co-payments, deductibles, or coinsurance to \$75 or less,  
269.9 regardless of the type or amount of insulin needed.

269.10 (c) Notwithstanding the requirement in paragraph (b), clause (4), an individual who is  
269.11 enrolled in Medicare Part D is eligible for a manufacturer's patient assistance program if  
269.12 the individual has spent \$1,000 on prescription drugs in the current calendar year and meets  
269.13 the eligibility requirements in paragraph (b), clauses (1) to (3).

269.14 (d) An individual who is interested in participating in a manufacturer's patient assistance  
269.15 program may apply directly to the manufacturer; apply through the individual's health care  
269.16 practitioner, if the practitioner participates; or contact a trained navigator for assistance in  
269.17 finding a long-term insulin supply solution, including assistance in applying to a  
269.18 manufacturer's patient assistance program.

269.19 Sec. 19. Minnesota Statutes 2022, section 152.126, subdivision 4, is amended to read:

269.20 Subd. 4. **Reporting requirements; notice.** (a) Each dispenser must submit the following  
269.21 data to the board or its designated vendor:

269.22 (1) name of the prescriber;

269.23 (2) national provider identifier of the prescriber;

269.24 (3) name of the dispenser;

269.25 (4) national provider identifier of the dispenser;

269.26 (5) prescription number;

269.27 (6) name of the patient for whom the prescription was written;

269.28 (7) address of the patient for whom the prescription was written;

269.29 (8) date of birth of the patient for whom the prescription was written;

269.30 (9) date the prescription was written;

270.1 (10) date the prescription was filled;

270.2 (11) name and strength of the controlled substance;

270.3 (12) quantity of controlled substance prescribed;

270.4 (13) quantity of controlled substance dispensed; and

270.5 (14) number of days supply.

270.6 (b) The dispenser must submit the required information by a procedure and in a format  
270.7 established by the board. The board may allow dispensers to omit data listed in this  
270.8 subdivision or may require the submission of data not listed in this subdivision provided  
270.9 the omission or submission is necessary for the purpose of complying with the electronic  
270.10 reporting or data transmission standards of the American Society for Automation in  
270.11 Pharmacy, the National Council on Prescription Drug Programs, or other relevant national  
270.12 standard-setting body.

270.13 (c) A dispenser is not required to submit this data for those controlled substance  
270.14 prescriptions dispensed for:

270.15 (1) individuals residing in a health care facility as defined in section 151.58, subdivision  
270.16 2, paragraph (b), when a drug is distributed through the use of an automated drug distribution  
270.17 system according to section 151.58; ~~and~~

270.18 (2) individuals receiving a drug sample that was packaged by a manufacturer and provided  
270.19 to the dispenser for dispensing as a professional sample pursuant to Code of Federal  
270.20 Regulations, title 21, part 203, subpart D-; and

270.21 (3) individuals whose prescriptions are being mailed, shipped, or delivered from  
270.22 Minnesota to another state, so long as the data are reported to the prescription drug monitoring  
270.23 program of that state.

270.24 (d) A dispenser must provide notice to the patient for whom the prescription was written  
270.25 ~~a conspicuous notice, or to that patient's authorized representative,~~ of the reporting  
270.26 requirements of this section and notice that the information may be used for program  
270.27 administration purposes.

270.28 (e) The dispenser must submit the required information within the timeframe specified  
270.29 by the board; if no reportable prescriptions are dispensed or sold on any day, a report  
270.30 indicating that fact must be filed with the board.

270.31 (f) The dispenser must submit accurate information to the database and must correct  
270.32 errors identified during the submission process within seven calendar days.

271.1 (g) For the purposes of this paragraph, the term "subject of the data" means the individual  
271.2 reported as being the patient, the practitioner reported as being the prescriber, the client  
271.3 when an animal is reported as being the patient, or an authorized agent of these individuals.  
271.4 The dispenser must correct errors brought to its attention by the subject of the data within  
271.5 seven calendar days, unless the dispenser verifies that an error did not occur and the data  
271.6 were correctly submitted. The dispenser must notify the subject of the data that either the  
271.7 error was corrected or that no error occurred.

271.8 Sec. 20. Minnesota Statutes 2022, section 152.126, subdivision 5, is amended to read:

271.9 **Subd. 5. Use of data by board.** (a) The board shall develop and maintain a database of  
271.10 the data reported under subdivision 4. The board shall maintain data that could identify an  
271.11 individual prescriber or dispenser in encrypted form. Except as otherwise allowed under  
271.12 subdivision 6, the database may be used by permissible users identified under subdivision  
271.13 6 for the identification of:

271.14 (1) individuals receiving prescriptions for controlled substances from prescribers who  
271.15 subsequently obtain controlled substances from dispensers in quantities or with a frequency  
271.16 inconsistent with generally recognized standards of use for those controlled substances,  
271.17 including standards accepted by national and international pain management associations;  
271.18 and

271.19 (2) individuals presenting forged or otherwise false or altered prescriptions for controlled  
271.20 substances to dispensers.

271.21 (b) No permissible user identified under subdivision 6 may access the database for the  
271.22 sole purpose of identifying prescribers of controlled substances for unusual or excessive  
271.23 prescribing patterns without a valid search warrant or court order.

271.24 (c) No personnel of a state or federal occupational licensing board or agency may access  
271.25 the database for the purpose of obtaining information to be used to initiate a disciplinary  
271.26 action against a prescriber.

271.27 (d) Data reported under subdivision 4 shall be made available to permissible users for  
271.28 a 12-month period beginning the day the data was received and ending 12 months from the  
271.29 last day of the month in which the data was received, except that permissible users defined  
271.30 in subdivision 6, paragraph (b), clauses ~~(6)~~ (7) and ~~(7)~~ (8), may use all data collected under  
271.31 this section for the purposes of administering, operating, and maintaining the prescription  
271.32 monitoring program and conducting trend analyses and other studies necessary to evaluate  
271.33 the effectiveness of the program.

272.1 (e) Data reported during the period January 1, 2015, through December 31, 2018, may  
272.2 be retained through December 31, 2019, in an identifiable manner. Effective January 1,  
272.3 2020, data older than 24 months must be destroyed. Data reported for prescriptions dispensed  
272.4 on or after January 1, 2020, must be destroyed no later than 12 months from the date the  
272.5 ~~data prescription~~ was received reported as dispensed.

272.6 Sec. 21. Minnesota Statutes 2022, section 152.126, subdivision 6, is amended to read:

272.7 **Subd. 6. Access to reporting system data.** (a) Except as indicated in this subdivision,  
272.8 the data submitted to the board under subdivision 4 is private data on individuals as defined  
272.9 in section 13.02, subdivision 12, and not subject to public disclosure.

272.10 (b) Except as specified in subdivision 5, the following persons shall be considered  
272.11 permissible users and may access the data submitted under subdivision 4 in the same or  
272.12 similar manner, and for the same or similar purposes, as those persons who are authorized  
272.13 to access similar private data on individuals under federal and state law:

272.14 (1) a prescriber or an agent or employee of the prescriber to whom the prescriber has  
272.15 delegated the task of accessing the data, to the extent the information relates specifically to  
272.16 a current patient, to whom the prescriber is:

272.17 (i) prescribing or considering prescribing any controlled substance;

272.18 (ii) providing emergency medical treatment for which access to the data may be necessary;

272.19 (iii) providing care, and the prescriber has reason to believe, based on clinically valid  
272.20 indications, that the patient is potentially abusing a controlled substance; or

272.21 (iv) providing other medical treatment for which access to the data may be necessary  
272.22 for a clinically valid purpose and the patient has consented to access to the submitted data,  
272.23 and with the provision that the prescriber remains responsible for the use or misuse of data  
272.24 accessed by a delegated agent or employee;

272.25 (2) a dispenser or an agent or employee of the dispenser to whom the dispenser has  
272.26 delegated the task of accessing the data, to the extent the information relates specifically to  
272.27 a current patient to whom that dispenser is dispensing or considering dispensing any  
272.28 controlled substance and with the provision that the dispenser remains responsible for the  
272.29 use or misuse of data accessed by a delegated agent or employee;

272.30 (3) a licensed dispensing practitioner or licensed pharmacist to the extent necessary to  
272.31 determine whether corrections made to the data reported under subdivision 4 are accurate;



273.1 (4) a licensed pharmacist who is providing pharmaceutical care for which access to the  
273.2 data may be necessary to the extent that the information relates specifically to a current  
273.3 patient for whom the pharmacist is providing pharmaceutical care: (i) if the patient has  
273.4 consented to access to the submitted data; or (ii) if the pharmacist is consulted by a prescriber  
273.5 who is requesting data in accordance with clause (1);

273.6 ~~(4)~~ (5) an individual who is the recipient of a controlled substance prescription for which  
273.7 data was submitted under subdivision 4, or a guardian of the individual, parent or guardian  
273.8 of a minor, or health care agent of the individual acting under a health care directive under  
273.9 chapter 145C. For purposes of this clause, access by individuals includes persons in the  
273.10 definition of an individual under section 13.02;

273.11 ~~(5)~~ (6) personnel or designees of a health-related licensing board listed in section 214.01,  
273.12 subdivision 2, or of the Emergency Medical Services Regulatory Board, assigned to conduct  
273.13 a bona fide investigation of a complaint received by that board that alleges that a specific  
273.14 licensee is impaired by use of a drug for which data is collected under subdivision 4, has  
273.15 engaged in activity that would constitute a crime as defined in section 152.025, or has  
273.16 engaged in the behavior specified in subdivision 5, paragraph (a);

273.17 ~~(6)~~ (7) personnel of the board engaged in the collection, review, and analysis of controlled  
273.18 substance prescription information as part of the assigned duties and responsibilities under  
273.19 this section;

273.20 ~~(7)~~ (8) authorized personnel ~~of a vendor~~ under contract with the board, or under contract  
273.21 with the state of Minnesota and approved by the board, who are engaged in the design,  
273.22 evaluation, implementation, operation, ~~and~~ or maintenance of the prescription monitoring  
273.23 program as part of the assigned duties and responsibilities of their employment, provided  
273.24 that access to data is limited to the minimum amount necessary to carry out such duties and  
273.25 responsibilities, and subject to the requirement of de-identification and time limit on retention  
273.26 of data specified in subdivision 5, paragraphs (d) and (e);

273.27 ~~(8)~~ (9) federal, state, and local law enforcement authorities acting pursuant to a valid  
273.28 search warrant;

273.29 ~~(9)~~ (10) personnel of the Minnesota health care programs assigned to use the data  
273.30 collected under this section to identify and manage recipients whose usage of controlled  
273.31 substances may warrant restriction to a single primary care provider, a single outpatient  
273.32 pharmacy, and a single hospital;

273.33 ~~(10)~~ (11) personnel of the Department of Human Services assigned to access the data  
273.34 pursuant to paragraph (k);

274.1 ~~(11)~~ (12) personnel of the health professionals services program established under section  
274.2 214.31, to the extent that the information relates specifically to an individual who is currently  
274.3 enrolled in and being monitored by the program, and the individual consents to access to  
274.4 that information. The health professionals services program personnel shall not provide this  
274.5 data to a health-related licensing board or the Emergency Medical Services Regulatory  
274.6 Board, except as permitted under section 214.33, subdivision 3; ~~and~~

274.7 ~~(12)~~ (13) personnel or designees of a health-related licensing board other than the Board  
274.8 of Pharmacy listed in section 214.01, subdivision 2, assigned to conduct a bona fide  
274.9 investigation of a complaint received by that board that alleges that a specific licensee is  
274.10 inappropriately prescribing controlled substances as defined in this section. For the purposes  
274.11 of this clause, the health-related licensing board may also obtain utilization data; and

274.12 (14) personnel of the board specifically assigned to conduct a bona fide investigation  
274.13 of a specific licensee or registrant. For the purposes of this clause, the board may also obtain  
274.14 utilization data.

274.15 (c) By July 1, 2017, every prescriber licensed by a health-related licensing board listed  
274.16 in section 214.01, subdivision 2, practicing within this state who is authorized to prescribe  
274.17 controlled substances for humans and who holds a current registration issued by the federal  
274.18 Drug Enforcement Administration, and every pharmacist licensed by the board and practicing  
274.19 within the state, shall register and maintain a user account with the prescription monitoring  
274.20 program. Data submitted by a prescriber, pharmacist, or their delegate during the registration  
274.21 application process, other than their name, license number, and license type, is classified  
274.22 as private pursuant to section 13.02, subdivision 12.

274.23 (d) Notwithstanding paragraph (b), beginning January 1, 2021, a prescriber or an agent  
274.24 or employee of the prescriber to whom the prescriber has delegated the task of accessing  
274.25 the data, must access the data submitted under subdivision 4 to the extent the information  
274.26 relates specifically to the patient:

274.27 (1) before the prescriber issues an initial prescription order for a Schedules II through  
274.28 IV opiate controlled substance to the patient; and

274.29 (2) at least once every three months for patients receiving an opiate for treatment of  
274.30 chronic pain or participating in medically assisted treatment for an opioid addiction.

274.31 (e) Paragraph (d) does not apply if:

274.32 (1) the patient is receiving palliative care, or hospice or other end-of-life care;

274.33 (2) the patient is being treated for pain due to cancer or the treatment of cancer;

275.1 (3) the prescription order is for a number of doses that is intended to last the patient five  
275.2 days or less and is not subject to a refill;

275.3 (4) the prescriber and patient have a current or ongoing provider/patient relationship of  
275.4 a duration longer than one year;

275.5 (5) the prescription order is issued within 14 days following surgery or three days  
275.6 following oral surgery or follows the prescribing protocols established under the opioid  
275.7 prescribing improvement program under section 256B.0638;

275.8 (6) the controlled substance is prescribed or administered to a patient who is admitted  
275.9 to an inpatient hospital;

275.10 (7) the controlled substance is lawfully administered by injection, ingestion, or any other  
275.11 means to the patient by the prescriber, a pharmacist, or by the patient at the direction of a  
275.12 prescriber and in the presence of the prescriber or pharmacist;

275.13 (8) due to a medical emergency, it is not possible for the prescriber to review the data  
275.14 before the prescriber issues the prescription order for the patient; or

275.15 (9) the prescriber is unable to access the data due to operational or other technological  
275.16 failure of the program so long as the prescriber reports the failure to the board.

275.17 (f) Only permissible users identified in paragraph (b), clauses (1), (2), (3), ~~(6)~~ (4), (7),  
275.18 ~~(9), and (8)~~, (10), and (11), may directly access the data electronically. No other permissible  
275.19 users may directly access the data electronically. If the data is directly accessed electronically,  
275.20 the permissible user shall implement and maintain a comprehensive information security  
275.21 program that contains administrative, technical, and physical safeguards that are appropriate  
275.22 to the user's size and complexity, and the sensitivity of the personal information obtained.  
275.23 The permissible user shall identify reasonably foreseeable internal and external risks to the  
275.24 security, confidentiality, and integrity of personal information that could result in the  
275.25 unauthorized disclosure, misuse, or other compromise of the information and assess the  
275.26 sufficiency of any safeguards in place to control the risks.

275.27 (g) The board shall not release data submitted under subdivision 4 unless it is provided  
275.28 with evidence, satisfactory to the board, that the person requesting the information is entitled  
275.29 to receive the data.

275.30 (h) The board shall maintain a log of all persons who access the data for a period of at  
275.31 least three years and shall ensure that any permissible user complies with paragraph (c)  
275.32 prior to attaining direct access to the data.

276.1 (i) Section 13.05, subdivision 6, shall apply to any contract the board enters into pursuant  
276.2 to subdivision 2. A vendor shall not use data collected under this section for any purpose  
276.3 not specified in this section.

276.4 (j) The board may participate in an interstate prescription monitoring program data  
276.5 exchange system provided that permissible users in other states have access to the data only  
276.6 as allowed under this section, and that section 13.05, subdivision 6, applies to any contract  
276.7 or memorandum of understanding that the board enters into under this paragraph.

276.8 (k) With available appropriations, the commissioner of human services shall establish  
276.9 and implement a system through which the Department of Human Services shall routinely  
276.10 access the data for the purpose of determining whether any client enrolled in an opioid  
276.11 treatment program licensed according to chapter 245A has been prescribed or dispensed a  
276.12 controlled substance in addition to that administered or dispensed by the opioid treatment  
276.13 program. When the commissioner determines there have been multiple prescribers or multiple  
276.14 prescriptions of controlled substances, the commissioner shall:

276.15 (1) inform the medical director of the opioid treatment program only that the  
276.16 commissioner determined the existence of multiple prescribers or multiple prescriptions of  
276.17 controlled substances; and

276.18 (2) direct the medical director of the opioid treatment program to access the data directly,  
276.19 review the effect of the multiple prescribers or multiple prescriptions, and document the  
276.20 review.

276.21 If determined necessary, the commissioner of human services shall seek a federal waiver  
276.22 of, or exception to, any applicable provision of Code of Federal Regulations, title 42, section  
276.23 2.34, paragraph (c), prior to implementing this paragraph.

276.24 (l) The board shall review the data submitted under subdivision 4 on at least a quarterly  
276.25 basis and shall establish criteria, in consultation with the advisory task force, for referring  
276.26 information about a patient to prescribers and dispensers who prescribed or dispensed the  
276.27 prescriptions in question if the criteria are met.

276.28 (m) The board shall conduct random audits, on at least a quarterly basis, of electronic  
276.29 access by permissible users, as identified in paragraph (b), clauses (1), (2), (3), ~~(4)~~, (7),  
276.30 ~~(9)~~, ~~and (8)~~, (10), and (11), to the data in subdivision 4, to ensure compliance with permissible  
276.31 use as defined in this section. A permissible user whose account has been selected for a  
276.32 random audit shall respond to an inquiry by the board, no later than 30 days after receipt of  
276.33 notice that an audit is being conducted. Failure to respond may result in deactivation of  
276.34 access to the electronic system and referral to the appropriate health licensing board, or the

277.1 commissioner of human services, for further action. The board shall report the results of  
 277.2 random audits to the chairs and ranking minority members of the legislative committees  
 277.3 with jurisdiction over health and human services policy and finance and government data  
 277.4 practices.

277.5 (n) A permissible user who has delegated the task of accessing the data in subdivision  
 277.6 4 to an agent or employee shall audit the use of the electronic system by delegated agents  
 277.7 or employees on at least a quarterly basis to ensure compliance with permissible use as  
 277.8 defined in this section. When a delegated agent or employee has been identified as  
 277.9 inappropriately accessing data, the permissible user must immediately remove access for  
 277.10 that individual and notify the board within seven days. The board shall notify all permissible  
 277.11 users associated with the delegated agent or employee of the alleged violation.

277.12 (o) A permissible user who delegates access to the data submitted under subdivision 4  
 277.13 to an agent or employee shall terminate that individual's access to the data within three  
 277.14 business days of the agent or employee leaving employment with the permissible user. The  
 277.15 board may conduct random audits to determine compliance with this requirement.

277.16 Sec. 22. Minnesota Statutes 2022, section 152.126, subdivision 9, is amended to read:

277.17 Subd. 9. ~~Immunity from liability; no requirement to obtain information.~~ (a) A  
 277.18 pharmacist, prescriber, or other dispenser making a report to the program in good faith under  
 277.19 this section is immune from any civil, criminal, or administrative liability, which might  
 277.20 otherwise be incurred or imposed as a result of the report, ~~or on the basis that the pharmacist~~  
 277.21 ~~or prescriber did or did not seek or obtain or use information from the program.~~

277.22 (b) Except as required by subdivision 6, paragraph (d), nothing in this section shall  
 277.23 require a pharmacist, prescriber, or other dispenser to obtain information about a patient  
 277.24 from the program, and the pharmacist, prescriber, or other dispenser, if acting in good faith,  
 277.25 is immune from any civil, criminal, or administrative liability that might otherwise be  
 277.26 incurred or imposed for requesting, receiving, or using information from the program.

277.27 Sec. 23. **LICENSED TRADITIONAL MIDWIVES; AUTHORITY TO PURCHASE**  
 277.28 **CERTAIN DRUGS.**

277.29 By November 15, 2023, the Minnesota Board of Medical Practice, in consultation with  
 277.30 the Advisory Council on Licensed Traditional Midwifery, must:

277.31 (1) issue an administrative order to allow licensed traditional midwives to purchase  
 277.32 drugs listed in Minnesota Statutes, section 147D.09, paragraph (b); or

278.1 (2) make recommendations to the chairs and ranking minority members of the legislative  
278.2 committees with jurisdiction on health finance and policy on how to amend Minnesota  
278.3 Statutes, section 147D.09, or other statutes to allow licensed traditional midwives to purchase  
278.4 drugs listed in Minnesota Statutes, section 147D.09, paragraph (b).

## 278.5 **ARTICLE 7**

### 278.6 **BACKGROUND STUDIES**

278.7 Section 1. Minnesota Statutes 2022, section 13.46, subdivision 4, is amended to read:

278.8 Subd. 4. **Licensing data.** (a) As used in this subdivision:

278.9 (1) "licensing data" are all data collected, maintained, used, or disseminated by the  
278.10 welfare system pertaining to persons licensed or registered or who apply for licensure or  
278.11 registration or who formerly were licensed or registered under the authority of the  
278.12 commissioner of human services;

278.13 (2) "client" means a person who is receiving services from a licensee or from an applicant  
278.14 for licensure; and

278.15 (3) "personal and personal financial data" are Social Security numbers, identity of and  
278.16 letters of reference, insurance information, reports from the Bureau of Criminal  
278.17 Apprehension, health examination reports, and social/home studies.

278.18 (b)(1)(i) Except as provided in paragraph (c), the following data on applicants, license  
278.19 holders, and former licensees are public: name, address, telephone number of licensees,  
278.20 date of receipt of a completed application, dates of licensure, licensed capacity, type of  
278.21 client preferred, variances granted, record of training and education in child care and child  
278.22 development, type of dwelling, name and relationship of other family members, previous  
278.23 license history, class of license, the existence and status of complaints, and the number of  
278.24 serious injuries to or deaths of individuals in the licensed program as reported to the  
278.25 commissioner of human services, the local social services agency, or any other county  
278.26 welfare agency. For purposes of this clause, a serious injury is one that is treated by a  
278.27 physician.

278.28 (ii) Except as provided in item (v), when a correction order, an order to forfeit a fine,  
278.29 an order of license suspension, an order of temporary immediate suspension, an order of  
278.30 license revocation, an order of license denial, or an order of conditional license has been  
278.31 issued, or a complaint is resolved, the following data on current and former licensees and  
278.32 applicants are public: the general nature of the complaint or allegations leading to the  
278.33 temporary immediate suspension; the substance and investigative findings of the licensing

279.1 or maltreatment complaint, licensing violation, or substantiated maltreatment; the existence  
279.2 of settlement negotiations; the record of informal resolution of a licensing violation; orders  
279.3 of hearing; findings of fact; conclusions of law; specifications of the final correction order,  
279.4 fine, suspension, temporary immediate suspension, revocation, denial, or conditional license  
279.5 contained in the record of licensing action; whether a fine has been paid; and the status of  
279.6 any appeal of these actions.

279.7 (iii) When a license denial under section 245A.05 or a sanction under section 245A.07  
279.8 is based on a determination that a license holder, applicant, or controlling individual is  
279.9 responsible for maltreatment under section 626.557 or chapter 260E, the identity of the  
279.10 applicant, license holder, or controlling individual as the individual responsible for  
279.11 maltreatment is public data at the time of the issuance of the license denial or sanction.

279.12 (iv) When a license denial under section 245A.05 or a sanction under section 245A.07  
279.13 is based on a determination that a license holder, applicant, or controlling individual is  
279.14 disqualified under chapter 245C, the identity of the license holder, applicant, or controlling  
279.15 individual as the disqualified individual ~~and the reason for the disqualification are~~ is public  
279.16 data at the time of the issuance of the licensing sanction or denial. If the applicant, license  
279.17 holder, or controlling individual requests reconsideration of the disqualification and the  
279.18 disqualification is affirmed, the reason for the disqualification and the reason to not set aside  
279.19 the disqualification are ~~public~~ private data.

279.20 (v) A correction order or fine issued to a child care provider for a licensing violation is  
279.21 private data on individuals under section 13.02, subdivision 12, or nonpublic data under  
279.22 section 13.02, subdivision 9, if the correction order or fine is seven years old or older.

279.23 (2) For applicants who withdraw their application prior to licensure or denial of a license,  
279.24 the following data are public: the name of the applicant, the city and county in which the  
279.25 applicant was seeking licensure, the dates of the commissioner's receipt of the initial  
279.26 application and completed application, the type of license sought, and the date of withdrawal  
279.27 of the application.

279.28 (3) For applicants who are denied a license, the following data are public: the name and  
279.29 address of the applicant, the city and county in which the applicant was seeking licensure,  
279.30 the dates of the commissioner's receipt of the initial application and completed application,  
279.31 the type of license sought, the date of denial of the application, the nature of the basis for  
279.32 the denial, the existence of settlement negotiations, the record of informal resolution of a  
279.33 denial, orders of hearings, findings of fact, conclusions of law, specifications of the final  
279.34 order of denial, and the status of any appeal of the denial.

280.1 (4) When maltreatment is substantiated under section 626.557 or chapter 260E and the  
280.2 victim and the substantiated perpetrator are affiliated with a program licensed under chapter  
280.3 245A, the commissioner of human services, local social services agency, or county welfare  
280.4 agency may inform the license holder where the maltreatment occurred of the identity of  
280.5 the substantiated perpetrator and the victim.

280.6 (5) Notwithstanding clause (1), for child foster care, only the name of the license holder  
280.7 and the status of the license are public if the county attorney has requested that data otherwise  
280.8 classified as public data under clause (1) be considered private data based on the best interests  
280.9 of a child in placement in a licensed program.

280.10 (c) The following are private data on individuals under section 13.02, subdivision 12,  
280.11 or nonpublic data under section 13.02, subdivision 9: personal and personal financial data  
280.12 on family day care program and family foster care program applicants and licensees and  
280.13 their family members who provide services under the license.

280.14 (d) The following are private data on individuals: the identity of persons who have made  
280.15 reports concerning licensees or applicants that appear in inactive investigative data, and the  
280.16 records of clients or employees of the licensee or applicant for licensure whose records are  
280.17 received by the licensing agency for purposes of review or in anticipation of a contested  
280.18 matter. The names of reporters of complaints or alleged violations of licensing standards  
280.19 under chapters 245A, 245B, 245C, and 245D, and applicable rules and alleged maltreatment  
280.20 under section 626.557 and chapter 260E, are confidential data and may be disclosed only  
280.21 as provided in section 260E.21, subdivision 4; 260E.35; or 626.557, subdivision 12b.

280.22 (e) Data classified as private, confidential, nonpublic, or protected nonpublic under this  
280.23 subdivision become public data if submitted to a court or administrative law judge as part  
280.24 of a disciplinary proceeding in which there is a public hearing concerning a license which  
280.25 has been suspended, immediately suspended, revoked, or denied.

280.26 (f) Data generated in the course of licensing investigations that relate to an alleged  
280.27 violation of law are investigative data under subdivision 3.

280.28 (g) Data that are not public data collected, maintained, used, or disseminated under this  
280.29 subdivision that relate to or are derived from a report as defined in section 260E.03, or  
280.30 626.5572, subdivision 18, are subject to the destruction provisions of sections 260E.35,  
280.31 subdivision 6, and 626.557, subdivision 12b.

280.32 (h) Upon request, not public data collected, maintained, used, or disseminated under  
280.33 this subdivision that relate to or are derived from a report of substantiated maltreatment as  
280.34 defined in section 626.557 or chapter 260E may be exchanged with the Department of



281.1 Health for purposes of completing background studies pursuant to section 144.057 and with  
281.2 the Department of Corrections for purposes of completing background studies pursuant to  
281.3 section 241.021.

281.4 (i) Data on individuals collected according to licensing activities under chapters 245A  
281.5 and 245C, data on individuals collected by the commissioner of human services according  
281.6 to investigations under section 626.557 and chapters 245A, 245B, 245C, 245D, and 260E  
281.7 may be shared with the Department of Human Rights, the Department of Health, the  
281.8 Department of Corrections, the ombudsman for mental health and developmental disabilities,  
281.9 and the individual's professional regulatory board when there is reason to believe that laws  
281.10 or standards under the jurisdiction of those agencies may have been violated or the  
281.11 information may otherwise be relevant to the board's regulatory jurisdiction. Background  
281.12 study data on an individual who is the subject of a background study under chapter 245C  
281.13 for a licensed service for which the commissioner of human services is the license holder  
281.14 may be shared with the commissioner and the commissioner's delegate by the licensing  
281.15 division. Unless otherwise specified in this chapter, the identity of a reporter of alleged  
281.16 maltreatment or licensing violations may not be disclosed.

281.17 (j) In addition to the notice of determinations required under sections 260E.24,  
281.18 subdivisions 5 and 7, and 260E.30, subdivision 6, paragraphs (b), (c), (d), (e), and (f), if the  
281.19 commissioner or the local social services agency has determined that an individual is a  
281.20 substantiated perpetrator of maltreatment of a child based on sexual abuse, as defined in  
281.21 section 260E.03, and the commissioner or local social services agency knows that the  
281.22 individual is a person responsible for a child's care in another facility, the commissioner or  
281.23 local social services agency shall notify the head of that facility of this determination. The  
281.24 notification must include an explanation of the individual's available appeal rights and the  
281.25 status of any appeal. If a notice is given under this paragraph, the government entity making  
281.26 the notification shall provide a copy of the notice to the individual who is the subject of the  
281.27 notice.

281.28 (k) All not public data collected, maintained, used, or disseminated under this subdivision  
281.29 and subdivision 3 may be exchanged between the Department of Human Services, Licensing  
281.30 Division, and the Department of Corrections for purposes of regulating services for which  
281.31 the Department of Human Services and the Department of Corrections have regulatory  
281.32 authority.

282.1 Sec. 2. Minnesota Statutes 2022, section 245C.02, subdivision 13e, is amended to read:

282.2 Subd. 13e. **NETStudy 2.0.** "NETStudy 2.0" means the commissioner's system that  
282.3 replaces both NETStudy and the department's internal background study processing system.  
282.4 NETStudy 2.0 is designed to enhance protection of children and vulnerable adults by  
282.5 improving the accuracy of background studies through fingerprint-based criminal record  
282.6 checks and expanding the background studies to include a review of information from the  
282.7 Minnesota Court Information System and the national crime information database. NETStudy  
282.8 2.0 is also designed to increase efficiencies in and the speed of the hiring process by:

282.9 (1) providing access to and updates from public web-based data related to employment  
282.10 eligibility;

282.11 (2) decreasing the need for repeat studies through electronic updates of background  
282.12 study subjects' criminal records;

282.13 (3) supporting identity verification using subjects' Social Security numbers and  
282.14 photographs;

282.15 (4) using electronic employer notifications; ~~and~~

282.16 (5) issuing immediate verification of subjects' eligibility to provide services as more  
282.17 studies are completed under the NETStudy 2.0 system; and

282.18 (6) providing electronic access to certain notices for entities and background study  
282.19 subjects.

282.20 Sec. 3. Minnesota Statutes 2022, section 245C.04, subdivision 1, is amended to read:

282.21 Subdivision 1. **Licensed programs; other child care programs.** (a) The commissioner  
282.22 shall conduct a background study of an individual required to be studied under section  
282.23 245C.03, subdivision 1, at least upon application for initial license for all license types.

282.24 (b) The commissioner shall conduct a background study of an individual required to be  
282.25 studied under section 245C.03, subdivision 1, including a child care background study  
282.26 subject as defined in section 245C.02, subdivision 6a, in a family child care program, licensed  
282.27 child care center, certified license-exempt child care center, or legal nonlicensed child care  
282.28 provider, on a schedule determined by the commissioner. Except as provided in section  
282.29 245C.05, subdivision 5a, a child care background study must include submission of  
282.30 fingerprints for a national criminal history record check and a review of the information  
282.31 under section 245C.08. A background study for a child care program must be repeated  
282.32 within five years from the most recent study conducted under this paragraph.

283.1 (c) At reauthorization or when a new background study is needed under section 119B.125,  
283.2 subdivision 1a, for a legal nonlicensed child care provider authorized under chapter 119B,  
283.3 the individual shall provide information required under section 245C.05, subdivision 1,  
283.4 paragraphs (a), (b), and (d), to the commissioner and be fingerprinted and photographed  
283.5 under section 245C.05, subdivision 5. The commissioner shall verify the information received  
283.6 under this paragraph and submit the request in NETStudy 2.0 to complete the background  
283.7 study.

283.8 ~~(e)~~ (d) At reapplication for a family child care license:

283.9 (1) for a background study affiliated with a licensed family child care center ~~or legal~~  
283.10 ~~nonlicensed child care provider~~, the individual shall provide information required under  
283.11 section 245C.05, subdivision 1, paragraphs (a), (b), and (d), to the county agency, and be  
283.12 fingerprinted and photographed under section 245C.05, subdivision 5;

283.13 (2) the county agency shall verify the information received under clause (1) and forward  
283.14 the information to the commissioner and submit the request in NETStudy 2.0 to complete  
283.15 the background study; and

283.16 (3) the background study conducted by the commissioner under this paragraph must  
283.17 include a review of the information required under section 245C.08.

283.18 ~~(d)~~ (e) The commissioner is not required to conduct a study of an individual at the time  
283.19 of reapplication for a license if the individual's background study was completed by the  
283.20 commissioner of human services and the following conditions are met:

283.21 (1) a study of the individual was conducted either at the time of initial licensure or when  
283.22 the individual became affiliated with the license holder;

283.23 (2) the individual has been continuously affiliated with the license holder since the last  
283.24 study was conducted; and

283.25 (3) the last study of the individual was conducted on or after October 1, 1995.

283.26 ~~(e)~~ (f) The commissioner of human services shall conduct a background study of an  
283.27 individual specified under section 245C.03, subdivision 1, paragraph (a), clauses (2) to (6),  
283.28 who is newly affiliated with a child foster family setting license holder:

283.29 (1) the county or private agency shall collect and forward to the commissioner the  
283.30 information required under section 245C.05, subdivisions 1 and 5, when the child foster  
283.31 family setting applicant or license holder resides in the home where child foster care services  
283.32 are provided; and

284.1 (2) the background study conducted by the commissioner of human services under this  
284.2 paragraph must include a review of the information required under section 245C.08,  
284.3 subdivisions 1, 3, and 4.

284.4 ~~(f)~~ (g) The commissioner shall conduct a background study of an individual specified  
284.5 under section 245C.03, subdivision 1, paragraph (a), clauses (2) to (6), who is newly affiliated  
284.6 with an adult foster care or family adult day services and with a family child care license  
284.7 holder or a legal nonlicensed child care provider authorized under chapter 119B and:

284.8 (1) except as provided in section 245C.05, subdivision 5a, the county shall collect and  
284.9 forward to the commissioner the information required under section 245C.05, subdivision  
284.10 1, paragraphs (a) and (b), and subdivision 5, paragraph (b), for background studies conducted  
284.11 by the commissioner for all family adult day services, for adult foster care when the adult  
284.12 foster care license holder resides in the adult foster care residence, and for family child care  
284.13 and legal nonlicensed child care authorized under chapter 119B;

284.14 (2) the license holder shall collect and forward to the commissioner the information  
284.15 required under section 245C.05, subdivisions 1, paragraphs (a) and (b); and 5, paragraphs  
284.16 (a) and (b), for background studies conducted by the commissioner for adult foster care  
284.17 when the license holder does not reside in the adult foster care residence; and

284.18 (3) the background study conducted by the commissioner under this paragraph must  
284.19 include a review of the information required under section 245C.08, subdivision 1, paragraph  
284.20 (a), and subdivisions 3 and 4.

284.21 ~~(g)~~ (h) Applicants for licensure, license holders, and other entities as provided in this  
284.22 chapter must submit completed background study requests to the commissioner using the  
284.23 electronic system known as NETStudy before individuals specified in section 245C.03,  
284.24 subdivision 1, begin positions allowing direct contact in any licensed program.

284.25 ~~(h)~~ (i) For an individual who is not on the entity's active roster, the entity must initiate  
284.26 a new background study through NETStudy when:

284.27 (1) an individual returns to a position requiring a background study following an absence  
284.28 of 120 or more consecutive days; or

284.29 (2) a program that discontinued providing licensed direct contact services for 120 or  
284.30 more consecutive days begins to provide direct contact licensed services again.

284.31 The license holder shall maintain a copy of the notification provided to the commissioner  
284.32 under this paragraph in the program's files. If the individual's disqualification was previously  
284.33 set aside for the license holder's program and the new background study results in no new

285.1 information that indicates the individual may pose a risk of harm to persons receiving  
285.2 services from the license holder, the previous set-aside shall remain in effect.

285.3 ~~(j)~~ (j) For purposes of this section, a physician licensed under chapter 147, advanced  
285.4 practice registered nurse licensed under chapter 148, or physician assistant licensed under  
285.5 chapter 147A is considered to be continuously affiliated upon the license holder's receipt  
285.6 from the commissioner of health or human services of the physician's, advanced practice  
285.7 registered nurse's, or physician assistant's background study results.

285.8 ~~(k)~~ (k) For purposes of family child care, a substitute caregiver must receive repeat  
285.9 background studies at the time of each license renewal.

285.10 ~~(l)~~ (l) A repeat background study at the time of license renewal is not required if the  
285.11 family child care substitute caregiver's background study was completed by the commissioner  
285.12 on or after October 1, 2017, and the substitute caregiver is on the license holder's active  
285.13 roster in NETStudy 2.0.

285.14 ~~(m)~~ (m) Before and after school programs authorized under chapter 119B, are exempt  
285.15 from the background study requirements under section 123B.03, for an employee for whom  
285.16 a background study under this chapter has been completed.

285.17 **EFFECTIVE DATE.** This section is effective April 28, 2025.

285.18 Sec. 4. Minnesota Statutes 2022, section 245C.05, subdivision 1, is amended to read:

285.19 Subdivision 1. **Individual studied.** (a) The individual who is the subject of the  
285.20 background study must provide the applicant, license holder, or other entity under section  
285.21 245C.04 with sufficient information to ensure an accurate study, including:

285.22 (1) the individual's first, middle, and last name and all other names by which the  
285.23 individual has been known;

285.24 (2) current home address, city, and state of residence;

285.25 (3) current zip code;

285.26 (4) sex;

285.27 (5) date of birth;

285.28 (6) driver's license number or state identification number; and

285.29 (7) upon implementation of NETStudy 2.0, the home address, city, county, and state of  
285.30 residence for the past five years.

286.1 (b) Every subject of a background study conducted or initiated by counties or private  
286.2 agencies under this chapter must also provide the home address, city, county, and state of  
286.3 residence for the past five years.

286.4 (c) Every subject of a background study related to private agency adoptions or related  
286.5 to child foster care licensed through a private agency, who is 18 years of age or older, shall  
286.6 also provide the commissioner a signed consent for the release of any information received  
286.7 from national crime information databases to the private agency that initiated the background  
286.8 study.

286.9 (d) The subject of a background study shall provide fingerprints and a photograph as  
286.10 required in subdivision 5.

286.11 (e) The subject of a background study shall submit a completed criminal and maltreatment  
286.12 history records check consent form for applicable national and state level record checks.

286.13 (f) A background study subject who has access to the NETStudy 2.0 applicant portal  
286.14 must provide updated contact information to the commissioner via NETStudy 2.0 any time  
286.15 the subject's personal information changes for as long as they remain affiliated on any roster.

286.16 (g) An entity must update contact information in NETStudy 2.0 for a background study  
286.17 subject on the entity's roster any time the entity receives new contact information from the  
286.18 study subject.

286.19 Sec. 5. Minnesota Statutes 2022, section 245C.05, subdivision 2c, is amended to read:

286.20 Subd. 2c. **Privacy notice to background study subject.** (a) Prior to initiating each  
286.21 background study, the entity initiating the study must provide the commissioner's privacy  
286.22 notice to the background study subject required under section 13.04, subdivision 2. The  
286.23 notice must be available through the commissioner's electronic NETStudy and NETStudy  
286.24 2.0 systems and shall include the information in paragraphs (b) and (c).

286.25 (b) The background study subject shall be informed that any previous background studies  
286.26 that received a set-aside will be reviewed, and without further contact with the background  
286.27 study subject, the commissioner may notify the agency that initiated the subsequent  
286.28 background study:

286.29 ~~(1) that the individual has a disqualification that has been set aside for the program or~~  
286.30 ~~agency that initiated the study;~~

286.31 ~~(2) the reason for the disqualification; and~~

287.1 ~~(3) that information about the decision to set aside the disqualification will be available~~  
287.2 ~~to the license holder upon request without the consent of the background study subject.~~

287.3 (c) The background study subject must also be informed that:

287.4 (1) the subject's fingerprints collected for purposes of completing the background study  
287.5 under this chapter must not be retained by the Department of Public Safety, Bureau of  
287.6 Criminal Apprehension, or by the commissioner. The Federal Bureau of Investigation will  
287.7 not retain background study subjects' fingerprints;

287.8 (2) effective upon implementation of NETStudy 2.0, the subject's photographic image  
287.9 will be retained by the commissioner, and if the subject has provided the subject's Social  
287.10 Security number for purposes of the background study, the photographic image will be  
287.11 available to prospective employers and agencies initiating background studies under this  
287.12 chapter to verify the identity of the subject of the background study;

287.13 (3) the authorized fingerprint collection vendor or vendors shall, for purposes of verifying  
287.14 the identity of the background study subject, be able to view the identifying information  
287.15 entered into NETStudy 2.0 by the entity that initiated the background study, but shall not  
287.16 retain the subject's fingerprints, photograph, or information from NETStudy 2.0. The  
287.17 authorized fingerprint collection vendor or vendors shall retain no more than the subject's  
287.18 name and the date and time the subject's fingerprints were recorded and sent, only as  
287.19 necessary for auditing and billing activities;

287.20 (4) the commissioner shall provide the subject notice, as required in section 245C.17,  
287.21 subdivision 1, paragraph (a), when an entity initiates a background study on the individual;

287.22 (5) the subject may request in writing a report listing the entities that initiated a  
287.23 background study on the individual as provided in section 245C.17, subdivision 1, paragraph  
287.24 (b);

287.25 (6) the subject may request in writing that information used to complete the individual's  
287.26 background study in NETStudy 2.0 be destroyed if the requirements of section 245C.051,  
287.27 paragraph (a), are met; and

287.28 (7) notwithstanding clause (6), the commissioner shall destroy:

287.29 (i) the subject's photograph after a period of two years when the requirements of section  
287.30 245C.051, paragraph (c), are met; and

287.31 (ii) any data collected on a subject under this chapter after a period of two years following  
287.32 the individual's death as provided in section 245C.051, paragraph (d).

288.1 Sec. 6. Minnesota Statutes 2022, section 245C.05, subdivision 4, is amended to read:

288.2 Subd. 4. **Electronic transmission.** (a) For background studies conducted by the  
288.3 Department of Human Services, the commissioner shall implement a secure system for the  
288.4 electronic transmission of:

288.5 (1) background study information to the commissioner;

288.6 (2) background study results to the license holder;

288.7 (3) background study information obtained under this section and section 245C.08 to  
288.8 counties and private agencies for background studies conducted by the commissioner for  
288.9 child foster care, including a summary of nondisqualifying results, except as prohibited by  
288.10 law; and

288.11 (4) background study results to county agencies for background studies conducted by  
288.12 the commissioner for adult foster care and family adult day services and, upon  
288.13 implementation of NETStudy 2.0, family child care ~~and legal nonlicensed child care~~  
288.14 ~~authorized under chapter 119B.~~

288.15 (b) Unless the commissioner has granted a hardship variance under paragraph (c), a  
288.16 license holder or an applicant must use the electronic transmission system known as  
288.17 NETStudy or NETStudy 2.0 to submit all requests for background studies to the  
288.18 commissioner as required by this chapter.

288.19 (c) A license holder or applicant whose program is located in an area in which high-speed  
288.20 Internet is inaccessible may request the commissioner to grant a variance to the electronic  
288.21 transmission requirement.

288.22 (d) Section 245C.08, subdivision 3, paragraph (c), applies to results transmitted under  
288.23 this subdivision.

288.24 (e) The background study subject shall access background study-related documents  
288.25 electronically in the applicant portal. A background study subject may request for the  
288.26 commissioner to grant a variance to the requirement to access documents electronically in  
288.27 the NETStudy 2.0 applicant portal and may also request paper documentation of their  
288.28 background studies.

288.29 **EFFECTIVE DATE.** The amendments to paragraph (a), clause (4), are effective April  
288.30 28, 2025.



289.1 Sec. 7. Minnesota Statutes 2022, section 245C.10, subdivision 2, is amended to read:

289.2 Subd. 2. **Supplemental nursing services agencies.** The commissioner shall recover the  
289.3 cost of the background studies initiated by supplemental nursing services agencies registered  
289.4 under section 144A.71, subdivision 1, through a fee of no more than ~~\$42~~ \$44 per study  
289.5 charged to the agency. The fees collected under this subdivision are appropriated to the  
289.6 commissioner for the purpose of conducting background studies.

289.7 Sec. 8. Minnesota Statutes 2022, section 245C.10, subdivision 3, is amended to read:

289.8 Subd. 3. **Personal care provider organizations.** The commissioner shall recover the  
289.9 cost of background studies initiated by a personal care provider organization under sections  
289.10 256B.0651 to 256B.0654 and 256B.0659 through a fee of no more than ~~\$42~~ \$44 per study  
289.11 charged to the organization responsible for submitting the background study form. The fees  
289.12 collected under this subdivision are appropriated to the commissioner for the purpose of  
289.13 conducting background studies.

289.14 Sec. 9. Minnesota Statutes 2022, section 245C.10, subdivision 4, is amended to read:

289.15 Subd. 4. **Temporary personnel agencies, educational programs, and professional**  
289.16 **services agencies.** The commissioner shall recover the cost of the background studies  
289.17 initiated by temporary personnel agencies, educational programs, and professional services  
289.18 agencies that initiate background studies under section 245C.03, subdivision 4, through a  
289.19 fee of no more than ~~\$42~~ \$44 per study charged to the agency. The fees collected under this  
289.20 subdivision are appropriated to the commissioner for the purpose of conducting background  
289.21 studies.

289.22 Sec. 10. Minnesota Statutes 2022, section 245C.10, subdivision 5, is amended to read:

289.23 Subd. 5. **Adult foster care and family adult day services.** The commissioner shall  
289.24 recover the cost of background studies required under section 245C.03, subdivision 1, for  
289.25 the purposes of adult foster care and family adult day services licensing, through a fee of  
289.26 no more than ~~\$42~~ \$44 per study charged to the license holder. The fees collected under this  
289.27 subdivision are appropriated to the commissioner for the purpose of conducting background  
289.28 studies.

289.29 Sec. 11. Minnesota Statutes 2022, section 245C.10, subdivision 6, is amended to read:

289.30 Subd. 6. **Unlicensed home and community-based waiver providers of service to**  
289.31 **seniors and individuals with disabilities.** The commissioner shall recover the cost of

290.1 background studies initiated by unlicensed home and community-based waiver providers  
290.2 of service to seniors and individuals with disabilities under section 256B.4912 through a  
290.3 fee of no more than ~~\$42~~ \$44 per study.

290.4 Sec. 12. Minnesota Statutes 2022, section 245C.10, subdivision 8, is amended to read:

290.5 Subd. 8. **Children's therapeutic services and supports providers.** The commissioner  
290.6 shall recover the cost of background studies required under section 245C.03, subdivision  
290.7 7, for the purposes of children's therapeutic services and supports under section 256B.0943,  
290.8 through a fee of no more than ~~\$42~~ \$44 per study charged to the license holder. The fees  
290.9 collected under this subdivision are appropriated to the commissioner for the purpose of  
290.10 conducting background studies.

290.11 Sec. 13. Minnesota Statutes 2022, section 245C.10, subdivision 9, is amended to read:

290.12 Subd. 9. **Human services licensed programs.** The commissioner shall recover the cost  
290.13 of background studies required under section 245C.03, subdivision 1, for all programs that  
290.14 are licensed by the commissioner, except child foster care when the applicant or license  
290.15 holder resides in the home where child foster care services are provided, family child care,  
290.16 child care centers, certified license-exempt child care centers, and legal nonlicensed child  
290.17 care authorized under chapter 119B, through a fee of no more than ~~\$42~~ \$44 per study charged  
290.18 to the license holder. The fees collected under this subdivision are appropriated to the  
290.19 commissioner for the purpose of conducting background studies.

290.20 Sec. 14. Minnesota Statutes 2022, section 245C.10, subdivision 9a, is amended to read:

290.21 Subd. 9a. **Child care programs.** The commissioner shall recover the cost of a background  
290.22 study required for family child care, certified license-exempt child care centers, licensed  
290.23 child care centers, and legal nonlicensed child care providers authorized under chapter 119B  
290.24 through a fee of no more than ~~\$40~~ \$44 per study charged to the license holder. A fee of no  
290.25 more than ~~\$42~~ \$44 per study shall be charged for studies conducted under section 245C.05,  
290.26 subdivision 5a, paragraph (a). The fees collected under this subdivision are appropriated to  
290.27 the commissioner to conduct background studies.

290.28 Sec. 15. Minnesota Statutes 2022, section 245C.10, subdivision 10, is amended to read:

290.29 Subd. 10. **Community first services and supports organizations.** The commissioner  
290.30 shall recover the cost of background studies initiated by an agency-provider delivering  
290.31 services under section 256B.85, subdivision 11, or a financial management services provider

291.1 providing service functions under section 256B.85, subdivision 13, through a fee of no more  
291.2 than ~~\$42~~ \$44 per study, charged to the organization responsible for submitting the background  
291.3 study form. The fees collected under this subdivision are appropriated to the commissioner  
291.4 for the purpose of conducting background studies.

291.5 Sec. 16. Minnesota Statutes 2022, section 245C.10, subdivision 11, is amended to read:

291.6 Subd. 11. **Providers of housing support.** The commissioner shall recover the cost of  
291.7 background studies initiated by providers of housing support under section 256I.04 through  
291.8 a fee of no more than ~~\$42~~ \$44 per study. The fees collected under this subdivision are  
291.9 appropriated to the commissioner for the purpose of conducting background studies.

291.10 Sec. 17. Minnesota Statutes 2022, section 245C.10, subdivision 12, is amended to read:

291.11 Subd. 12. **Child protection workers or social services staff having responsibility for**  
291.12 **child protective duties.** The commissioner shall recover the cost of background studies  
291.13 initiated by county social services agencies and local welfare agencies for individuals who  
291.14 are required to have a background study under section 260E.36, subdivision 3, through a  
291.15 fee of no more than ~~\$42~~ \$44 per study. The fees collected under this subdivision are  
291.16 appropriated to the commissioner for the purpose of conducting background studies.

291.17 Sec. 18. Minnesota Statutes 2022, section 245C.10, subdivision 13, is amended to read:

291.18 Subd. 13. **Providers of special transportation service.** The commissioner shall recover  
291.19 the cost of background studies initiated by providers of special transportation service under  
291.20 section 174.30 through a fee of no more than ~~\$42~~ \$44 per study. The fees collected under  
291.21 this subdivision are appropriated to the commissioner for the purpose of conducting  
291.22 background studies.

291.23 Sec. 19. Minnesota Statutes 2022, section 245C.10, subdivision 14, is amended to read:

291.24 Subd. 14. **Children's residential facilities.** The commissioner shall recover the cost of  
291.25 background studies initiated by a licensed children's residential facility through a fee of no  
291.26 more than ~~\$51~~ \$53 per study. Fees collected under this subdivision are appropriated to the  
291.27 commissioner for purposes of conducting background studies.

291.28 Sec. 20. Minnesota Statutes 2022, section 245C.10, subdivision 16, is amended to read:

291.29 Subd. 16. **Providers of housing support services.** The commissioner shall recover the  
291.30 cost of background studies initiated by providers of housing support services under section

292.1 256B.051 through a fee of no more than ~~\$42~~ \$44 per study. The fees collected under this  
292.2 subdivision are appropriated to the commissioner for the purpose of conducting background  
292.3 studies.

292.4 Sec. 21. Minnesota Statutes 2022, section 245C.10, subdivision 17, is amended to read:

292.5 Subd. 17. **Early intensive developmental and behavioral intervention providers.** The  
292.6 commissioner shall recover the cost of background studies required under section 245C.03,  
292.7 subdivision 15, for the purposes of early intensive developmental and behavioral intervention  
292.8 under section 256B.0949, through a fee of no more than ~~\$42~~ \$44 per study charged to the  
292.9 enrolled agency. The fees collected under this subdivision are appropriated to the  
292.10 commissioner for the purpose of conducting background studies.

292.11 Sec. 22. Minnesota Statutes 2022, section 245C.10, subdivision 20, is amended to read:

292.12 Subd. 20. **Professional Educators Licensing Standards Board.** The commissioner  
292.13 shall recover the cost of background studies initiated by the Professional Educators Licensing  
292.14 Standards Board through a fee of no more than ~~\$51~~ \$53 per study. Fees collected under this  
292.15 subdivision are appropriated to the commissioner for purposes of conducting background  
292.16 studies.

292.17 Sec. 23. Minnesota Statutes 2022, section 245C.10, subdivision 21, is amended to read:

292.18 Subd. 21. **Board of School Administrators.** The commissioner shall recover the cost  
292.19 of background studies initiated by the Board of School Administrators through a fee of no  
292.20 more than ~~\$51~~ \$53 per study. Fees collected under this subdivision are appropriated to the  
292.21 commissioner for purposes of conducting background studies.

292.22 Sec. 24. Minnesota Statutes 2022, section 245C.10, is amended by adding a subdivision  
292.23 to read:

292.24 Subd. 22. **Tribal organizations.** The commissioner shall recover the cost of background  
292.25 studies initiated by Tribal organizations under section 245C.34 for adoption and child foster  
292.26 care. The fee amount shall be established through interagency agreements between the  
292.27 commissioner and Tribal organizations or their designees. The fees collected under this  
292.28 subdivision shall be deposited in the special revenue fund and are appropriated to the  
292.29 commissioner for the purpose of conducting background studies and criminal background  
292.30 checks. This change shall go into effect July 1, 2024.

293.1 Sec. 25. Minnesota Statutes 2022, section 245C.17, subdivision 2, is amended to read:

293.2 Subd. 2. **Disqualification notice sent to subject.** (a) If the information in the study  
293.3 indicates the individual is disqualified from direct contact with, or from access to, persons  
293.4 served by the program, the commissioner shall disclose to the individual studied:

293.5 (1) the information causing disqualification;

293.6 (2) instructions on how to request a reconsideration of the disqualification;

293.7 (3) an explanation of any restrictions on the commissioner's discretion to set aside the  
293.8 disqualification under section 245C.24, when applicable to the individual;

293.9 ~~(4) a statement that, if the individual's disqualification is set aside under section 245C.22,~~  
293.10 ~~the applicant, license holder, or other entity that initiated the background study will be~~  
293.11 ~~provided with the reason for the individual's disqualification and an explanation that the~~  
293.12 ~~factors under section 245C.22, subdivision 4, which were the basis of the decision to set~~  
293.13 ~~aside the disqualification shall be made available to the license holder upon request without~~  
293.14 ~~the consent of the subject of the background study;~~

293.15 ~~(5) a statement indicating that if the individual's disqualification is set aside or the facility~~  
293.16 ~~is granted a variance under section 245C.30, the individual's identity and the reason for the~~  
293.17 ~~individual's disqualification will become public data under section 245C.22, subdivision 7,~~  
293.18 ~~when applicable to the individual;~~

293.19 ~~(6)~~ (4) a statement that when a subsequent background study is initiated on the individual  
293.20 following a set-aside of the individual's disqualification, and the commissioner makes a  
293.21 determination under section 245C.22, subdivision 5, paragraph (b), that the previous set-aside  
293.22 applies to the subsequent background study, the applicant, license holder, or other entity  
293.23 that initiated the background study will be informed in the notice under section 245C.22,  
293.24 subdivision 5, paragraph (c):

293.25 ~~(i)~~ (i) of the reason for the individual's disqualification; and

293.26 ~~(ii) that the individual's disqualification is set aside for that program or agency; and~~

293.27 ~~(iii) that information about the factors under section 245C.22, subdivision 4, that were~~  
293.28 ~~the basis of the decision to set aside the disqualification are available to the license holder~~  
293.29 ~~upon request without the consent of the background study subject; and~~

293.30 ~~(7)~~ (5) the commissioner's determination of the individual's immediate risk of harm  
293.31 under section 245C.16.

294.1 (b) If the commissioner determines under section 245C.16 that an individual poses an  
294.2 imminent risk of harm to persons served by the program where the individual will have  
294.3 direct contact with, or access to, people receiving services, the commissioner's notice must  
294.4 include an explanation of the basis of this determination.

294.5 (c) If the commissioner determines under section 245C.16 that an individual studied  
294.6 does not pose a risk of harm that requires immediate removal, the individual shall be informed  
294.7 of the conditions under which the agency that initiated the background study may allow the  
294.8 individual to have direct contact with, or access to, people receiving services, as provided  
294.9 under subdivision 3.

294.10 Sec. 26. Minnesota Statutes 2022, section 245C.17, subdivision 3, is amended to read:

294.11 Subd. 3. **Disqualification notification.** (a) The commissioner shall notify an applicant,  
294.12 license holder, or other entity as provided in this chapter who is not the subject of the study:

294.13 (1) that the commissioner has found information that disqualifies the individual studied  
294.14 from being in a position allowing direct contact with, or access to, people served by the  
294.15 program; and

294.16 (2) the commissioner's determination of the individual's risk of harm under section  
294.17 245C.16.

294.18 (b) If the commissioner determines under section 245C.16 that an individual studied  
294.19 poses an imminent risk of harm to persons served by the program where the individual  
294.20 studied will have direct contact with, or access to, people served by the program, the  
294.21 commissioner shall order the license holder to immediately remove the individual studied  
294.22 from any position allowing direct contact with, or access to, people served by the program.

294.23 (c) If the commissioner determines under section 245C.16 that an individual studied  
294.24 poses a risk of harm that requires continuous, direct supervision, the commissioner shall  
294.25 order the applicant, license holder, or other entities as provided in this chapter to:

294.26 (1) immediately remove the individual studied from any position allowing direct contact  
294.27 with, or access to, people receiving services; or

294.28 (2) before allowing the disqualified individual to be in a position allowing direct contact  
294.29 with, or access to, people receiving services, the applicant, license holder, or other entity,  
294.30 as provided in this chapter, must:

294.31 ~~(i) obtain from the disqualified individual a copy of the individual's notice of~~  
294.32 ~~disqualification from the commissioner that explains the reason for disqualification;~~

295.1 ~~(ii)~~ (i) ensure that the individual studied is under continuous, direct supervision when  
 295.2 in a position allowing direct contact with, or access to, people receiving services during the  
 295.3 period in which the individual may request a reconsideration of the disqualification under  
 295.4 section 245C.21; and

295.5 ~~(iii)~~ (ii) ensure that the disqualified individual requests reconsideration within 30 days  
 295.6 of receipt of the notice of disqualification.

295.7 (d) If the commissioner determines under section 245C.16 that an individual studied  
 295.8 does not pose a risk of harm that requires continuous, direct supervision, the commissioner  
 295.9 shall order the applicant, license holder, or other entities as provided in this chapter to:

295.10 (1) immediately remove the individual studied from any position allowing direct contact  
 295.11 with, or access to, people receiving services; or

295.12 (2) before allowing the disqualified individual to be in any position allowing direct  
 295.13 contact with, or access to, people receiving services, the applicant, license holder, or other  
 295.14 entity as provided in this chapter must:

295.15 ~~(i) obtain from the disqualified individual a copy of the individual's notice of~~  
 295.16 ~~disqualification from the commissioner that explains the reason for disqualification; and~~

295.17 ~~(ii)~~ ensure that the disqualified individual requests reconsideration within 15 days of  
 295.18 receipt of the notice of disqualification.

295.19 (e) The commissioner shall not notify the applicant, license holder, or other entity as  
 295.20 provided in this chapter of the information contained in the subject's background study  
 295.21 unless:

295.22 (1) the basis for the disqualification is failure to cooperate with the background study  
 295.23 ~~or substantiated maltreatment under section 626.557 or chapter 260E;~~

295.24 (2) the Data Practices Act under chapter 13 provides for release of the information; or

295.25 (3) the individual studied authorizes the release of the information.

295.26 Sec. 27. Minnesota Statutes 2022, section 245C.17, subdivision 6, is amended to read:

295.27 Subd. 6. **Notice to county agency.** For studies on individuals related to a license to  
 295.28 provide adult foster care when the applicant or license holder resides in the adult foster care  
 295.29 residence and family adult day services and, effective upon implementation of NETStudy  
 295.30 2.0, family child care and legal nonlicensed child care authorized under chapter 119B, the  
 295.31 commissioner shall also provide a notice of the background study results to the county  
 295.32 agency that initiated the background study.

296.1 **EFFECTIVE DATE.** This section is effective April 28, 2025.

296.2 Sec. 28. Minnesota Statutes 2022, section 245C.22, subdivision 7, is amended to read:

296.3 Subd. 7. **Classification of certain data.** (a) Notwithstanding section 13.46, except as  
296.4 provided in paragraph ~~(f)~~ (e), upon setting aside a disqualification under this section, the  
296.5 identity of the disqualified individual who received the set-aside and the individual's  
296.6 disqualifying characteristics are ~~public~~ private data if the set-aside was:

296.7 ~~(1) for any disqualifying characteristic under section 245C.15, except a felony level~~  
296.8 ~~conviction for a drug-related offense within the past five years, when the set-aside relates~~  
296.9 ~~to a child care center or a family child care provider licensed under chapter 245A, certified~~  
296.10 ~~license-exempt child care center, or legal nonlicensed family child care; or~~

296.11 ~~(2) for a disqualifying characteristic under section 245C.15, subdivision 2.~~

296.12 (b) Notwithstanding section 13.46, upon granting a variance to a license holder under  
296.13 section 245C.30, the identity of the disqualified individual who is the subject of the variance,  
296.14 the individual's disqualifying characteristics under section 245C.15, and the terms of the  
296.15 variance are ~~public data, except as provided in paragraph (c), clause (6), when the variance:~~  
296.16 private data.

296.17 ~~(1) is issued to a child care center or a family child care provider licensed under chapter~~  
296.18 ~~245A; or~~

296.19 ~~(2) relates to an individual with a disqualifying characteristic under section 245C.15,~~  
296.20 ~~subdivision 2.~~

296.21 (c) The identity of a disqualified individual and the reason for disqualification remain  
296.22 private data when:

296.23 (1) a disqualification is not set aside and no variance is granted, except as provided under  
296.24 section 13.46, subdivision 4;

296.25 (2) the data are not public under paragraph (a) or (b);

296.26 (3) the disqualification is rescinded because the information relied upon to disqualify  
296.27 the individual is incorrect;

296.28 (4) the disqualification relates to a license to provide relative child foster care. As used  
296.29 in this clause, "relative" has the meaning given it under section 260C.007, subdivision 26b  
296.30 or 27;



297.1 (5) the disqualified individual is a household member of a licensed foster care provider  
297.2 and:

297.3 (i) the disqualified individual previously received foster care services from this licensed  
297.4 foster care provider;

297.5 (ii) the disqualified individual was subsequently adopted by this licensed foster care  
297.6 provider; and

297.7 (iii) the disqualifying act occurred before the adoption; or

297.8 (6) a variance is granted to a child care center or family child care license holder for an  
297.9 individual's disqualification that is based on a felony-level conviction for a drug-related  
297.10 offense that occurred within the past five years.

297.11 ~~(d) Licensed family child care providers and child care centers must provide notices as~~  
297.12 ~~required under section 245C.301.~~

297.13 ~~(e)~~ (d) Notwithstanding paragraphs (a) and (b), the identity of household members who  
297.14 are the subject of a disqualification related set-aside or variance is not public data if:

297.15 (1) the household member resides in the residence where the family child care is provided;

297.16 (2) the subject of the set-aside or variance is under the age of 18 years; and

297.17 (3) the set-aside or variance only relates to a disqualification under section 245C.15,  
297.18 subdivision 4, for a misdemeanor-level theft crime as defined in section 609.52.

297.19 ~~(f)~~ (e) When the commissioner has reason to know that a disqualified individual has  
297.20 received an order for expungement for the disqualifying record that does not limit the  
297.21 commissioner's access to the record, and the record was opened or exchanged with the  
297.22 commissioner for purposes of a background study under this chapter, the data that would  
297.23 otherwise become public under paragraph (a) or (b) remain private data.

297.24 Sec. 29. Minnesota Statutes 2022, section 245C.23, subdivision 1, is amended to read:

297.25 Subdivision 1. **Disqualification that is rescinded or set aside.** (a) If the commissioner  
297.26 rescinds or sets aside a disqualification, the commissioner shall notify the applicant, license  
297.27 holder, or other entity in writing or by electronic transmission of the decision.

297.28 (b) In the notice from the commissioner that a disqualification has been rescinded, the  
297.29 commissioner must inform the applicant, license holder, or other entity that the information  
297.30 relied upon to disqualify the individual was incorrect.

298.1 ~~(e) Except as provided in paragraphs (d) and (e), in the notice from the commissioner~~  
298.2 ~~that a disqualification has been set aside, the commissioner must inform the applicant,~~  
298.3 ~~license holder, or other entity of the reason for the individual's disqualification and that~~  
298.4 ~~information about which factors under section 245C.22, subdivision 4, were the basis of~~  
298.5 ~~the decision to set aside the disqualification are available to the license holder upon request~~  
298.6 ~~without the consent of the background study subject.~~

298.7 ~~(d) When the commissioner has reason to know that a disqualified individual has received~~  
298.8 ~~an order for expungement for the disqualifying record that does not limit the commissioner's~~  
298.9 ~~access to the record, and the record was opened or exchanged with the commissioner for~~  
298.10 ~~purposes of a background study under this chapter, the information provided under paragraph~~  
298.11 ~~(e) must only inform the applicant, license holder, or other entity that the disqualifying~~  
298.12 ~~criminal record is sealed under a court order.~~

298.13 ~~(e) The notification requirements in paragraph (e) do not apply when the set aside is~~  
298.14 ~~granted to an individual related to a background study for a licensed child care center,~~  
298.15 ~~certified license exempt child care center, or family child care license holder, or for a legal~~  
298.16 ~~nonlicensed child care provider authorized under chapter 119B, and the individual is~~  
298.17 ~~disqualified for a felony level conviction for a drug related offense that occurred within the~~  
298.18 ~~past five years. The notice that the individual's disqualification is set aside must inform the~~  
298.19 ~~applicant, license holder, or legal nonlicensed child care provider that the disqualifying~~  
298.20 ~~criminal record is not public.~~

298.21 Sec. 30. Minnesota Statutes 2022, section 245C.23, subdivision 2, is amended to read:

298.22 **Subd. 2. Commissioner's notice of disqualification that is not set aside.** (a) The  
298.23 commissioner shall notify the license holder of the disqualification and order the license  
298.24 holder to immediately remove the individual from any position allowing direct contact with  
298.25 persons receiving services from the license holder if:

298.26 (1) the individual studied does not submit a timely request for reconsideration under  
298.27 section 245C.21;

298.28 (2) the individual submits a timely request for reconsideration, but the commissioner  
298.29 does not set aside the disqualification for that license holder under section 245C.22, unless  
298.30 the individual has a right to request a hearing under section 245C.27, 245C.28, or 256.045;

298.31 (3) an individual who has a right to request a hearing under sections 245C.27 and 256.045,  
298.32 or 245C.28 and chapter 14 for a disqualification that has not been set aside, does not request  
298.33 a hearing within the specified time; or

299.1 (4) an individual submitted a timely request for a hearing under sections 245C.27 and  
299.2 256.045, or 245C.28 and chapter 14, but the commissioner does not set aside the  
299.3 disqualification under section 245A.08, subdivision 5, or 256.045.

299.4 (b) If the commissioner does not set aside the disqualification under section 245C.22,  
299.5 and the license holder was previously ordered under section 245C.17 to immediately remove  
299.6 the disqualified individual from direct contact with persons receiving services or to ensure  
299.7 that the individual is under continuous, direct supervision when providing direct contact  
299.8 services, the order remains in effect pending the outcome of a hearing under sections 245C.27  
299.9 and 256.045, or 245C.28 and chapter 14.

299.10 (c) If the commissioner does not set aside the disqualification under section 245C.22,  
299.11 and the license holder was not previously ordered under section 245C.17 to immediately  
299.12 remove the disqualified individual from direct contact with persons receiving services or  
299.13 to ensure that the individual is under continuous direct supervision when providing direct  
299.14 contact services, the commissioner shall order the individual to remain under continuous  
299.15 direct supervision pending the outcome of a hearing under sections 245C.27 and 256.045,  
299.16 or 245C.28 and chapter 14.

299.17 (d) For background studies related to child foster care when the applicant or license  
299.18 holder resides in the home where services are provided, the commissioner shall also notify  
299.19 the county or private agency that initiated the study of the results of the reconsideration.

299.20 (e) For background studies related to family child care, ~~legal nonlicensed child care,~~  
299.21 adult foster care programs when the applicant or license holder resides in the home where  
299.22 services are provided, and family adult day services, the commissioner shall also notify the  
299.23 county that initiated the study of the results of the reconsideration.

299.24 **EFFECTIVE DATE.** This section is effective April 28, 2025.

299.25 Sec. 31. Minnesota Statutes 2022, section 245C.32, subdivision 2, is amended to read:

299.26 Subd. 2. **Use.** (a) The commissioner may also use these systems and records to obtain  
299.27 and provide criminal history data from the Bureau of Criminal Apprehension, criminal  
299.28 history data held by the commissioner, and data about substantiated maltreatment under  
299.29 section 626.557 or chapter 260E, for other purposes, provided that:

299.30 (1) the background study is specifically authorized in statute; or

299.31 (2) the request is made with the informed consent of the subject of the study as provided  
299.32 in section 13.05, subdivision 4.

300.1 (b) An individual making a request under paragraph (a), clause (2), must agree in writing  
300.2 not to disclose the data to any other individual without the consent of the subject of the data.

300.3 (c) The commissioner may use these systems to share background study documentation  
300.4 electronically with entities and individuals who are the subject of a background study.

300.5 (d) The commissioner may recover the cost of obtaining and providing background study  
300.6 data by charging the individual or entity requesting the study a fee of ~~no more than \$42 per~~  
300.7 ~~study~~ as described in section 245C.10. The fees collected under this paragraph are  
300.8 appropriated to the commissioner for the purpose of conducting background studies.

300.9 Sec. 32. **[245J.01] TITLE.**

300.10 This chapter may be cited as the "Department of Human Services Public Law Background  
300.11 Studies Act."

300.12 Sec. 33. **[245J.02] DEFINITIONS.**

300.13 Subdivision 1. **Scope.** The definitions in this section apply to this chapter.

300.14 Subd. 2. **Access to persons served by a program.** "Access to persons served by a  
300.15 program" means physical access to persons receiving services, access to the persons' personal  
300.16 property, or access to the persons' personal, financial, or health information, without  
300.17 continuous, direct supervision, as defined in subdivision 8.

300.18 Subd. 3. **Applicant.** "Applicant" has the meaning given in section 245A.02, subdivision  
300.19 3, and applies to entities listed in section 245J.03.

300.20 Subd. 4. **Authorized fingerprint collection vendor.** "Authorized fingerprint collection  
300.21 vendor" means a qualified organization under a written contract with the commissioner to  
300.22 provide services in accordance with section 245J.05, subdivision 6, paragraph (a).

300.23 Subd. 5. **Commissioner.** "Commissioner" means the commissioner of human services.

300.24 Subd. 6. **Continuous, direct supervision.** "Continuous, direct supervision" means an  
300.25 individual is within sight or hearing of the entity's supervising individual to the extent that  
300.26 the program's supervising individual is capable at all times of intervening to protect the  
300.27 health and safety of the persons served by the program.

300.28 Subd. 7. **Conviction.** "Conviction" has the meaning given in section 609.02, subdivision  
300.29 5.

301.1 Subd. 8. **Direct contact.** "Direct contact" means providing face-to-face care, training,  
301.2 supervision, counseling, consultation, or medication assistance to persons served by the  
301.3 program.

301.4 Subd. 9. **Employee.** "Employee" means an individual who provides or seeks to provide  
301.5 services for an entity with which the employee is affiliated in NETStudy 2.0 and who is  
301.6 subject to oversight by the entity, including but not limited to continuous, direct supervision  
301.7 and immediate removal from providing direct care services.

301.8 Subd. 10. **Entity.** "Entity" means a program, organization, or agency listed in section  
301.9 245J.03.

301.10 Subd. 11. **License.** "License" has the meaning given in section 245A.02, subdivision 8.

301.11 Subd. 12. **License holder.** "License holder" has the meaning given in section 245A.02,  
301.12 subdivision 9, and applies to entities listed in section 245J.03.

301.13 Subd. 13. **National criminal history record check.** (a) "National criminal history record  
301.14 check" means a check of records maintained by the Federal Bureau of Investigation through  
301.15 submission of fingerprints through the Bureau of Criminal Apprehension to the Federal  
301.16 Bureau of Investigation, when specifically required by law.

301.17 (b) For the purposes of this chapter, "national crime information database," "national  
301.18 criminal records repository," "criminal history with the Federal Bureau of Investigation,"  
301.19 and "national criminal record check" refer to a national criminal history record check as  
301.20 defined in this subdivision.

301.21 Subd. 14. **NETStudy 2.0.** "NETStudy 2.0" means the commissioner's system that replaces  
301.22 both NETStudy and the department's internal background study processing system. NETStudy  
301.23 2.0 is designed to enhance protection of children and vulnerable adults by improving the  
301.24 accuracy of background studies through fingerprint-based criminal record checks and  
301.25 expanding the background studies to include a review of information from the Minnesota  
301.26 Court Information System and the national crime information database. NETStudy 2.0 is  
301.27 also designed to increase efficiencies in and the speed of the hiring process by:

301.28 (1) providing access to and updates from public web-based data related to employment  
301.29 eligibility;

301.30 (2) decreasing the need for repeat studies through electronic updates of background  
301.31 study subjects' criminal records;

301.32 (3) supporting identity verification using subjects' Social Security numbers and  
301.33 photographs;

302.1 (4) using electronic employer notifications; and

302.2 (5) issuing immediate verification of subjects' eligibility to provide services as more  
302.3 studies are completed under the NETStudy 2.0 system.

302.4 Subd. 15. **Person.** "Person" means a child as defined in subdivision 6 or an adult as  
302.5 defined in section 245A.02, subdivision 2.

302.6 Subd. 16. **Public law background study.** "Public law background study" means a  
302.7 background study conducted by the Department of Human Services under this chapter. All  
302.8 data obtained by the commissioner for a background study completed under this chapter  
302.9 shall be classified as private data.

302.10 Subd. 17. **Reasonable cause.** "Reasonable cause" means information or circumstances  
302.11 exist that provide the commissioner with articulable suspicion that further pertinent  
302.12 information may exist concerning a subject. The commissioner has reasonable cause to  
302.13 require a background study when the commissioner has received a report from the subject,  
302.14 the entity, or a third party indicating that the subject has a history that would disqualify the  
302.15 individual or that may pose a risk to the health or safety of persons receiving services.

302.16 Subd. 18. **Reasonable cause to require a national criminal history record check.** (a)  
302.17 "Reasonable cause to require a national criminal history record check" means information  
302.18 or circumstances exist that provide the commissioner with articulable suspicion that further  
302.19 pertinent information may exist concerning a background study subject that merits conducting  
302.20 a national criminal history record check on that subject. The commissioner has reasonable  
302.21 cause to require a national criminal history record check when:

302.22 (1) information from the Bureau of Criminal Apprehension indicates that the subject is  
302.23 a multistate offender;

302.24 (2) information from the Bureau of Criminal Apprehension indicates that multistate  
302.25 offender status is undetermined;

302.26 (3) the commissioner has received a report from the subject or a third party indicating  
302.27 that the subject has a criminal history in a jurisdiction other than Minnesota; or

302.28 (4) information from the Bureau of Criminal Apprehension for a state-based name and  
302.29 date of birth background study in which the subject is a minor that indicates that the subject  
302.30 has a criminal history.

302.31 (b) In addition to the circumstances described in paragraph (a), the commissioner has  
302.32 reasonable cause to require a national criminal history record check if the subject is not

303.1 currently residing in Minnesota or resided in a jurisdiction other than Minnesota during the  
303.2 previous five years.

303.3 Subd. 19. **Recurring maltreatment.** "Recurring maltreatment" means more than one  
303.4 incident of maltreatment for which there is a preponderance of evidence that the maltreatment  
303.5 occurred and that the subject was responsible for the maltreatment.

303.6 Subd. 20. **Results.** "Results" means a determination that a study subject is eligible,  
303.7 disqualified, set aside, granted a variance, or that more time is needed to complete the  
303.8 background study.

303.9 Subd. 21. **Roster.** (a) "Roster" means the electronic method used to identify the entity  
303.10 or entities required to conduct background studies under this chapter with which a background  
303.11 subject is affiliated. There are three types of rosters: active roster, inactive roster, and master  
303.12 roster.

303.13 (b) "Active roster" means the list of individuals specific to an entity who have been  
303.14 determined eligible under this chapter to provide services for the entity and who the entity  
303.15 has identified as affiliated. An individual shall remain on the entity's active roster and is  
303.16 considered affiliated until the commissioner determines the individual is ineligible or the  
303.17 entity removes the individual from the entity's active roster.

303.18 (c) "Inactive roster" means the list maintained by the commissioner of individuals who  
303.19 are eligible under this chapter to provide services and are not on an active roster. Individuals  
303.20 shall remain on the inactive roster for no more than 180 consecutive days, unless the  
303.21 individual submits a written request to the commissioner requesting to remain on the inactive  
303.22 roster for a longer period of time. Upon the commissioner's receipt of information that may  
303.23 cause an individual on the inactive roster to be disqualified under this chapter, the  
303.24 commissioner shall remove the individual from the inactive roster, and if the individual  
303.25 again seeks a position requiring a background study, the individual shall be required to  
303.26 complete a new background study.

303.27 (d) "Master roster" means the list maintained by the commissioner of all individuals  
303.28 who, as a result of a background study under this chapter, and regardless of affiliation with  
303.29 an entity, are determined by the commissioner to be eligible to provide services for one or  
303.30 more entities. The master roster includes all background study subjects on rosters under  
303.31 paragraphs (b) and (c).

303.32 Subd. 22. **Serious maltreatment.** (a) "Serious maltreatment" means sexual abuse,  
303.33 maltreatment resulting in death, neglect resulting in serious injury which reasonably requires  
303.34 the care of a physician or advanced practice registered nurse, whether or not the care of a

304.1 physician or advanced practice registered nurse was sought, or abuse resulting in serious  
304.2 injury.

304.3 (b) For purposes of this definition, "care of a physician or advanced practice registered  
304.4 nurse" is treatment received or ordered by a physician, physician assistant, advanced practice  
304.5 registered nurse, or nurse practitioner, but does not include:

304.6 (1) diagnostic testing, assessment, or observation;

304.7 (2) the application of, recommendation to use, or prescription solely for a remedy that  
304.8 is available over the counter without a prescription; or

304.9 (3) a prescription solely for a topical antibiotic to treat burns when there is no follow-up  
304.10 appointment.

304.11 (c) For purposes of this definition, "abuse resulting in serious injury" means: bruises,  
304.12 bites, skin laceration, or tissue damage; fractures; dislocations; evidence of internal injuries;  
304.13 head injuries with loss of consciousness; extensive second-degree or third-degree burns and  
304.14 other burns for which complications are present; extensive second-degree or third-degree  
304.15 frostbite and other frostbite for which complications are present; irreversible mobility or  
304.16 avulsion of teeth; injuries to the eyes; ingestion of foreign substances and objects that are  
304.17 harmful; near drowning; and heat exhaustion or sunstroke.

304.18 (d) Serious maltreatment includes neglect when it results in criminal sexual conduct  
304.19 against a child or vulnerable adult.

304.20 Subd. 23. **Subject of a background study.** "Subject of a background study" means an  
304.21 individual on whom a public law background study is required or completed.

304.22 Subd. 24. **Volunteer.** "Volunteer" means an individual who provides or seeks to provide  
304.23 services for an entity without compensation, is affiliated in NETStudy 2.0, and is subject  
304.24 to oversight by the entity, including but not limited to continuous, direct supervision and  
304.25 immediate removal from providing direct care services.

304.26 Sec. 34. **[245J.03] PUBLIC LAW BACKGROUND STUDY; INDIVIDUALS TO BE**  
304.27 **STUDIED.**

304.28 Subdivision 1. **Classification of public law background study data; access to**  
304.29 **information.** All data obtained by the commissioner for a background study completed  
304.30 under this chapter shall be classified as private data.

304.31 Subd. 2. **Minnesota Sex Offender Program.** The commissioner shall conduct a public  
304.32 law background study under this chapter for an employee having direct contact with persons



305.1 civily committed to the Minnesota Sex Offender Program operated by the commissioner  
305.2 under chapters 246B and 253D.

305.3 Sec. 35. **[245J.04] WHEN BACKGROUND STUDY MUST OCCUR.**

305.4 Subdivision 1. **Initial studies.** (a) An entity in section 245J.03 shall initiate a background  
305.5 study:

305.6 (1) for an individual in NETStudy 2.0, upon application for initial license. All license  
305.7 holders must be on the entity's active roster with a status of eligible, set aside, or variance  
305.8 granted;

305.9 (2) for a current or prospective employee in NETStudy 2.0, before the individual will  
305.10 have direct contact with persons receiving services; and

305.11 (3) for a volunteer in NETStudy 2.0, before the volunteer will have direct contact with  
305.12 persons served by the program, if the contact is not under the continuous, direct supervision  
305.13 by an individual listed in clause (1) or (2).

305.14 (b) The commissioner is not required to conduct a study of an individual at the time of  
305.15 reapplication for a license if the individual's background study was completed by the  
305.16 commissioner of human services and the following conditions are met:

305.17 (1) a study of the individual was conducted either at the time of initial licensure or when  
305.18 the individual became affiliated with the license holder;

305.19 (2) the individual has been continuously affiliated with the license holder since the last  
305.20 study was conducted; and

305.21 (3) the last study of the individual was conducted on or after October 1, 1995.

305.22 (c) Applicants for licensure, license holders, and entities as provided in this chapter must  
305.23 submit completed background study requests to the commissioner using NETStudy 2.0  
305.24 before individuals specified in section 245J.03, subdivision 1, begin positions allowing  
305.25 direct contact in the program.

305.26 (d) For an individual who is not on the entity's active roster, the entity must initiate a  
305.27 new background study through NETStudy 2.0 when:

305.28 (1) an individual returns to a position requiring a background study following an absence  
305.29 of 120 or more consecutive days; or

305.30 (2) a program that discontinued providing licensed direct contact services for 120 or  
305.31 more consecutive days begins to provide direct contact licensed services again.

306.1 The entity shall maintain a copy of the notification provided to the commissioner under this  
306.2 paragraph in the program's files. If the individual's disqualification was previously set aside  
306.3 for the license holder's program and the new background study results in no new information  
306.4 that indicates the individual may pose a risk of harm to persons receiving services from the  
306.5 entity, the previous set-aside shall remain in effect.

306.6 (e) For purposes of this section, a physician licensed under chapter 147 or an advanced  
306.7 practice registered nurse licensed under chapter 148 who is required to have a background  
306.8 study under this chapter is considered to be continuously affiliated upon the license holder's  
306.9 receipt from the commissioner of human services of the physician's or advanced practice  
306.10 registered nurse's background study results.

306.11 **Subd. 2. Public law background studies; electronic criminal case information**  
306.12 **updates; rosters; criteria for eliminating repeat background studies.** (a) The  
306.13 commissioner shall implement the electronic process in NETStudy 2.0 for the regular transfer  
306.14 of new criminal case information that is added to the Minnesota Court Information System.  
306.15 The commissioner's system must include for review only information that relates to  
306.16 individuals who are on the master roster.

306.17 (b) The commissioner shall develop and implement an online system as a part of  
306.18 NETStudy 2.0 for entities that initiate background studies under this chapter to access and  
306.19 maintain records of background studies initiated by that entity. The system must show all  
306.20 active background study subjects affiliated with that entity and the status of each individual's  
306.21 background study. Each entity that initiates background studies must use this system to  
306.22 notify the commissioner of discontinued affiliation for purposes of the processes required  
306.23 under paragraph (a).

306.24 **Subd. 3. New study required with legal name change.** (a) For a background study  
306.25 completed on an individual required to be studied under section 245J.03, the license holder  
306.26 or other entity that initiated the background study must initiate a new background study  
306.27 using NETStudy 2.0 when an individual who is affiliated with the license holder or other  
306.28 entity undergoes a legal name change.

306.29 (b) For background studies subject to a fee paid through NETStudy 2.0, the entity that  
306.30 initiated the study may initiate a new study under paragraph (a) or notify the commissioner  
306.31 of the name change through a notice to the commissioner.

306.32 (c) After an entity initiating a background study has paid the applicable fee for the study  
306.33 and has provided the individual with the privacy notice required under section 245J.05,  
306.34 subdivision 3, NETStudy 2.0 shall immediately inform the entity whether the individual

307.1 requires a background study or whether the individual is immediately eligible to provide  
307.2 services based on a previous background study. If the individual is immediately eligible,  
307.3 the entity initiating the background study shall be able to view the information previously  
307.4 supplied by the individual who is the subject of a background study as required under section  
307.5 245J.05, subdivision 1, including the individual's photograph taken at the time the individual's  
307.6 fingerprints were recorded. The commissioner shall not provide any entity initiating a  
307.7 subsequent background study with information regarding the other entities that initiated  
307.8 background studies on the subject.

307.9 (d) Verification that an individual is eligible to provide services based on a previous  
307.10 background study is dependent on the individual voluntarily providing the individual's  
307.11 Social Security number to the commissioner at the time each background study is initiated.  
307.12 When an individual does not provide the individual's Social Security number for the  
307.13 background study, that study is not transferable and a repeat background study on that  
307.14 individual is required if the individual seeks a position requiring a background study under  
307.15 this chapter with another entity.

307.16 Sec. 36. **[245J.05] BACKGROUND STUDY; INFORMATION AND DATA**  
307.17 **PROVIDED TO COMMISSIONER.**

307.18 Subdivision 1. **Study submitted.** The entity with which the background study subject  
307.19 is seeking affiliation through employment, volunteering, or licensure shall initiate the  
307.20 background study in NETStudy 2.0.

307.21 Subd. 2. **Individual studied.** (a) The individual who is the subject of the background  
307.22 study must provide the applicant, license holder, or other entity under section 245J.04 with  
307.23 sufficient information to ensure an accurate study, including:

307.24 (1) the individual's first, middle, and last name and all other names by which the  
307.25 individual has been known;

307.26 (2) current home address, city, and state of residence;

307.27 (3) current zip code;

307.28 (4) sex;

307.29 (5) date of birth;

307.30 (6) driver's license number or state identification number; and

307.31 (7) the home address, city, county, and state of residence for the past five years.

308.1 (b) The subject of a background study shall provide fingerprints and a photograph as  
308.2 required in subdivision 6.

308.3 Subd. 3. **Entity.** (a) The entity initiating a background study as provided in this chapter  
308.4 shall verify that the information collected under subdivision 1 about an individual who is  
308.5 the subject of the background study is correct and must provide the information on forms  
308.6 or in a manner prescribed by the commissioner.

308.7 (b) The information collected under subdivision 1 about an individual who is the subject  
308.8 of a completed background study may only be viewable by an entity that initiates a  
308.9 subsequent background study on that individual under NETStudy 2.0 after the entity has  
308.10 paid the applicable fee for the study and has provided the individual with the privacy notice  
308.11 in subdivision 4.

308.12 Subd. 4. **Privacy notice to background study subject.** (a) Prior to initiating each  
308.13 background study, the entity initiating the study must provide the commissioner's privacy  
308.14 notice to the background study subject required under section 13.04, subdivision 2. The  
308.15 notice must be available through the commissioner's electronic NETStudy 2.0 system and  
308.16 shall include information that the individual has a disqualification that has been set aside  
308.17 for the entity that initiated the study.

308.18 (b) The background study subject must also be informed that:

308.19 (1) the subject's fingerprints collected for purposes of completing the background study  
308.20 under this chapter must not be retained by the Department of Public Safety, the Bureau of  
308.21 Criminal Apprehension, or the commissioner. The Federal Bureau of Investigation will not  
308.22 retain background study subjects' fingerprints;

308.23 (2) the subject's photograph will be retained by the commissioner, and if the subject has  
308.24 provided the subject's Social Security number for purposes of the background study, the  
308.25 photograph will be available to prospective employers and agencies initiating background  
308.26 studies under this chapter to verify the identity of the subject of the background study;

308.27 (3) the authorized fingerprint collection vendor or vendors shall, for purposes of verifying  
308.28 the identity of the background study subject, be able to view the identifying information  
308.29 entered into NETStudy 2.0 by the entity that initiated the background study, but shall not  
308.30 retain the subject's fingerprints, photograph, or information from NETStudy 2.0. The  
308.31 authorized fingerprint collection vendor or vendors shall retain no more than the subject's  
308.32 name and the date and time the subject's fingerprints were recorded and sent, only as  
308.33 necessary for auditing and billing activities;

309.1 (4) the commissioner shall provide the subject notice, as required in section 245J.15,  
309.2 subdivision 1, paragraph (a), when an entity initiates a background study on the individual;

309.3 (5) the subject may request in writing a report listing the entities that initiated a  
309.4 background study on the subject as provided in section 245J.15, subdivision 1, paragraph  
309.5 (b);

309.6 (6) the subject may request in writing that information used to complete the individual's  
309.7 background study in NETStudy 2.0 be destroyed if the requirements of section 245J.06,  
309.8 paragraph (a), are met; and

309.9 (7) notwithstanding clause (6), the commissioner shall destroy:

309.10 (i) the subject's photograph after a period of two years when the requirements of section  
309.11 245J.06, paragraph (c), are met; and

309.12 (ii) any data collected on a subject under this chapter after a period of two years following  
309.13 the individual's death as provided in section 245J.06, paragraph (d).

309.14 Subd. 5. **Fingerprint data notification.** The commissioner of human services shall  
309.15 notify all background study subjects under this chapter that the Department of Human  
309.16 Services, Department of Public Safety, and the Bureau of Criminal Apprehension do not  
309.17 retain fingerprint data after a background study is completed, and that the Federal Bureau  
309.18 of Investigation does not retain background study subjects' fingerprints.

309.19 Subd. 6. **Electronic transmission.** (a) The commissioner shall implement a secure  
309.20 system for the electronic transmission of:

309.21 (1) background study information to the commissioner; and

309.22 (2) background study results to the license holder.

309.23 (b) Unless the commissioner has granted a hardship variance under paragraph (c), a  
309.24 license holder or an applicant must use the electronic transmission system known as  
309.25 NETStudy or NETStudy 2.0 to submit all requests for background studies to the  
309.26 commissioner as required by this chapter.

309.27 (c) A license holder or applicant whose program is located in an area in which high-speed  
309.28 Internet is inaccessible may request the commissioner to grant a variance to the electronic  
309.29 transmission requirement.

309.30 (d) Section 245J.08, subdivision 3, paragraph (c), applies to results transmitted under  
309.31 this subdivision.

310.1 **Subd. 7. Fingerprints and photograph.** (a) Except as provided in paragraph (f), every  
310.2 subject of a background study must provide the commissioner with a set of the background  
310.3 study subject's classifiable fingerprints and photograph. The photograph and fingerprints  
310.4 must be recorded at the same time by the authorized fingerprint collection vendor or vendors  
310.5 and sent to the commissioner through the commissioner's secure data system described in  
310.6 section 245J.29, subdivision 1a, paragraph (b).

310.7 (b) The fingerprints shall be submitted by the commissioner to the Bureau of Criminal  
310.8 Apprehension and, when specifically required by law, submitted to the Federal Bureau of  
310.9 Investigation for a national criminal history record check.

310.10 (c) The fingerprints must not be retained by the Department of Public Safety, the Bureau  
310.11 of Criminal Apprehension, or the commissioner. The Federal Bureau of Investigation will  
310.12 not retain background study subjects' fingerprints.

310.13 (d) The authorized fingerprint collection vendor or vendors shall, for purposes of verifying  
310.14 the identity of the background study subject, be able to view the identifying information  
310.15 entered into NETStudy 2.0 by the entity that initiated the background study, but shall not  
310.16 retain the subject's fingerprints, photograph, or information from NETStudy 2.0. The  
310.17 authorized fingerprint collection vendor or vendors shall retain no more than the name, date,  
310.18 and time the subject's fingerprints were recorded and sent, only as necessary for auditing  
310.19 and billing activities.

310.20 (e) For any background study conducted under this chapter, the subject shall provide  
310.21 the commissioner with a set of classifiable fingerprints when the commissioner has reasonable  
310.22 cause to require a national criminal history record check as defined in section 245J.02,  
310.23 subdivision 13.

310.24 (f) A study subject is not required to submit fingerprints and a photograph for a new  
310.25 study if they currently have an eligible background study status on an active roster or on  
310.26 the master roster. The entity initiating the new study shall have access to the eligible status  
310.27 upon completion of the initiation and payment process.

310.28 (g) The commissioner may inform the entity that initiated the background study under  
310.29 NETStudy 2.0 of the status of processing of the subject's fingerprints.

310.30 **Subd. 8. Applicant, license holder, and entity.** (a) The applicant, license holder, entity  
310.31 as provided in this chapter, Bureau of Criminal Apprehension, law enforcement agencies,  
310.32 commissioner of health, and county agencies shall help with the study by giving the  
310.33 commissioner criminal conviction data and reports about the maltreatment of adults

311.1 substantiated under section 626.557 and the maltreatment of minors substantiated under  
311.2 chapter 260E.

311.3 (b) If a background study is initiated by an applicant, license holder, or entity as provided  
311.4 in this chapter, and the applicant, license holder, or entity receives information about the  
311.5 possible criminal or maltreatment history of an individual who is the subject of the  
311.6 background study, the applicant, license holder, or entity must immediately provide the  
311.7 information to the commissioner.

311.8 (c) The applicant, license holder, entity, or county or other agency must provide written  
311.9 notice to the individual who is the subject of the background study of the requirements  
311.10 under this subdivision.

311.11 Subd. 9. **Probation officer and corrections agent.** (a) A probation officer or corrections  
311.12 agent shall notify the commissioner of an individual's conviction if the individual:

311.13 (1) has been affiliated with a program or facility regulated by the Department of Human  
311.14 Services or Department of Health, a facility serving children or youth licensed by the  
311.15 Department of Corrections, or any type of home care agency or provider of personal care  
311.16 assistance services within the preceding year; and

311.17 (2) has been convicted of a crime constituting a disqualification under section 245J.14.

311.18 (b) The commissioner, in consultation with the commissioner of corrections, shall develop  
311.19 forms and information necessary to implement this subdivision and shall provide the forms  
311.20 and information to the commissioner of corrections for distribution to local probation officers  
311.21 and corrections agents.

311.22 (c) The commissioner shall inform individuals subject to a background study that criminal  
311.23 convictions for disqualifying crimes shall be reported to the commissioner by the corrections  
311.24 system.

311.25 (d) A probation officer, corrections agent, or corrections agency is not civilly or criminally  
311.26 liable for disclosing or failing to disclose the information required by this subdivision.

311.27 (e) Upon receipt of disqualifying information, the commissioner shall provide the notice  
311.28 required under section 245J.17, as appropriate, to entities on whose active rosters the study  
311.29 subject is affiliated.

312.1 Sec. 37. **[245J.06] DESTRUCTION OF BACKGROUND STUDY SUBJECT**  
312.2 **INFORMATION.**

312.3 (a) A background study subject may request in writing to the commissioner that  
312.4 information used to complete the individual's study in NETStudy 2.0 be destroyed if the  
312.5 individual:

312.6 (1) has not been affiliated with any entity for the previous two years; and

312.7 (2) has no current disqualifying characteristic.

312.8 (b) After receiving the request and verifying the information in paragraph (a), the  
312.9 commissioner shall destroy the information used to complete the subject's background study  
312.10 and shall keep a record of the subject's name and a notation of the date that the information  
312.11 was destroyed.

312.12 (c) When a previously studied individual has not been on the master roster for two years,  
312.13 the commissioner shall destroy the photographic image of the individual obtained under  
312.14 section 245J.05, subdivision 7, paragraph (a).

312.15 (d) Any data collected on an individual under this chapter that is maintained by the  
312.16 commissioner that has not been destroyed according to paragraph (b) or (c) shall be destroyed  
312.17 when two years have elapsed from the individual's actual death that is reported to the  
312.18 commissioner or when 90 years have elapsed since the individual's birth except when readily  
312.19 available data indicate that the individual is still living.

312.20 Sec. 38. **[245J.07] STUDY SUBJECT AFFILIATED WITH MULTIPLE**  
312.21 **FACILITIES.**

312.22 (a) Subject to the conditions in paragraph (c), when a license holder, applicant, or other  
312.23 entity owns multiple programs or services that are licensed by the same agency, only one  
312.24 background study is required for an individual who provides direct contact services in one  
312.25 or more of the licensed programs or services if:

312.26 (1) the license holder designates one individual with one address and telephone number  
312.27 as the person to receive sensitive background study information for the multiple licensed  
312.28 programs or services that depend on the same background study; and

312.29 (2) the individual designated to receive the sensitive background study information is  
312.30 capable of determining, upon request of the department, whether a background study subject  
312.31 is providing direct contact services in one or more of the license holder's programs or services  
312.32 and, if so, at which location or locations.



313.1 (b) When a license holder maintains background study compliance for multiple licensed  
 313.2 programs according to paragraph (a), and one or more of the licensed programs closes, the  
 313.3 license holder shall immediately notify the commissioner which staff must be transferred  
 313.4 to an active license so that the background studies can be electronically paired with the  
 313.5 license holder's active program.

313.6 (c) For an entity operating under NETStudy 2.0, the entity's active roster must be the  
 313.7 system used to document when a background study subject is affiliated with multiple entities.  
 313.8 For a background study to be transferable:

313.9 (1) the background study subject must be on and moving to a roster for which the person  
 313.10 designated to receive sensitive background study information is the same; and

313.11 (2) the same entity must own or legally control both the roster from which the transfer  
 313.12 is occurring and the roster to which the transfer is occurring. For an entity that holds or  
 313.13 controls multiple entities, there must be a common highest level entity that has a legally  
 313.14 identifiable structure that can be verified through records available from the secretary of  
 313.15 state.

313.16 Sec. 39. **[245J.08] BACKGROUND STUDY; COMMISSIONER REVIEWS.**

313.17 **Subdivision 1. Background studies conducted by Department of Human Services.** (a)  
 313.18 For a background study conducted under this chapter, the commissioner shall review:

313.19 (1) information related to findings of maltreatment of vulnerable adults that has been  
 313.20 received by the commissioner as required under section 626.557, subdivision 9c, paragraph  
 313.21 (j);

313.22 (2) information related to findings of maltreatment of minors that has been received by  
 313.23 the commissioner as required under chapter 260E;

313.24 (3) the commissioner's records relating to maltreatment in programs licensed by the  
 313.25 Department of Human Services and the Department of Health;

313.26 (4) information from juvenile courts as required in subdivision 4 when there is reasonable  
 313.27 cause;

313.28 (5) criminal history information from the Bureau of Criminal Apprehension, including  
 313.29 information regarding a background study subject's registration in Minnesota as a predatory  
 313.30 offender under section 243.166; and

314.1 (6) information received as a result of a national criminal history record check, as defined  
314.2 in section 245J.02, subdivision 13, when the commissioner has reasonable cause for a  
314.3 national criminal history record check as defined under section 245J.02, subdivision 16.

314.4 (b) Notwithstanding expungement by a court, the commissioner may consider information  
314.5 obtained under this section, unless the commissioner received notice of the petition for  
314.6 expungement and the court order for expungement is directed specifically to the  
314.7 commissioner.

314.8 (c) The commissioner shall also review criminal case information received according  
314.9 to section 245J.04, subdivision 2, from the Minnesota Court Information System or Minnesota  
314.10 Government Access that relates to individuals who are being studied or have already been  
314.11 studied under this chapter and who remain affiliated with the agency that initiated the  
314.12 background study.

314.13 Subd. 2. **Arrest and investigative information.** (a) For any background study completed  
314.14 under this chapter, if the commissioner has reasonable cause to believe the information is  
314.15 pertinent to the potential disqualification of an individual, the commissioner also may review  
314.16 arrest and investigative information from:

314.17 (1) the Bureau of Criminal Apprehension;

314.18 (2) the commissioners of health and human services;

314.19 (3) a county attorney;

314.20 (4) a county sheriff;

314.21 (5) a county agency;

314.22 (6) a local chief of police;

314.23 (7) other states;

314.24 (8) the courts;

314.25 (9) the Federal Bureau of Investigation;

314.26 (10) the National Criminal Records Repository; and

314.27 (11) criminal records from other states.

314.28 (b) Except when specifically required by law, the commissioner is not required to conduct  
314.29 more than one review of a subject's records from a national criminal history record check  
314.30 if a review of the subject's criminal history with the Federal Bureau of Investigation has

315.1 already been completed by the commissioner and there has been no break in the subject's  
315.2 affiliation with the entity that initiated the background study.

315.3 Subd. 3. **Juvenile court records.** (a) For a background study conducted by the  
315.4 Department of Human Services, the commissioner shall review records from the juvenile  
315.5 courts for an individual studied under this chapter when the commissioner has reasonable  
315.6 cause.

315.7 (b) The juvenile courts shall help with the study by giving the commissioner existing  
315.8 juvenile court records relating to delinquency proceedings held on individuals studied under  
315.9 this chapter when requested pursuant to this subdivision.

315.10 (c) For purposes of this chapter, a finding that a delinquency petition is proven in juvenile  
315.11 court shall be considered a conviction in state district court.

315.12 (d) Juvenile courts shall provide orders of involuntary and voluntary termination of  
315.13 parental rights under section 260C.301 to the commissioner upon request for purposes of  
315.14 conducting a background study under this chapter.

315.15 Sec. 40. **[245J.09] FAILURE OR REFUSAL TO COOPERATE WITH**  
315.16 **BACKGROUND STUDY.**

315.17 Subdivision 1. **Disqualification; licensing action.** An applicant's, license holder's, or  
315.18 other entity's failure or refusal to cooperate with the commissioner, including failure to  
315.19 provide additional information required under section 245J.05, is reasonable cause to  
315.20 disqualify a subject, deny a license application, or immediately suspend or revoke a license  
315.21 or registration.

315.22 Subd. 2. **Employment action.** An individual's failure or refusal to cooperate with the  
315.23 background study is just cause for denying or terminating employment of the individual if  
315.24 the individual's failure or refusal to cooperate could cause the applicant's application to be  
315.25 denied or the license holder's license to be immediately suspended or revoked.

315.26 Sec. 41. **[245J.10] BACKGROUND STUDY; FEES.**

315.27 Subdivision 1. **Expenses.** Section 181.645 does not apply to background studies  
315.28 completed under this chapter.

315.29 Subd. 2. **Background study fees.** (a) The commissioner shall recover the cost of  
315.30 background studies. Except as otherwise provided in subdivisions 3 and 4, the fees collected  
315.31 under this section shall be appropriated to the commissioner for the purpose of conducting

316.1 background studies under this chapter. Fees under this section are charges under section  
316.2 16A.1283, paragraph (b), clause (3).

316.3 (b) Background study fees may include:

316.4 (1) a fee to compensate the commissioner's authorized fingerprint collection vendor or  
316.5 vendors for obtaining and processing a background study subject's classifiable fingerprints  
316.6 and photograph pursuant to subdivision 3; and

316.7 (2) a separate fee under subdivision 3 to complete a review of background-study-related  
316.8 records as authorized under this chapter.

316.9 (c) Fees charged under paragraph (b) may be paid in whole or in part when authorized  
316.10 by law by a state agency or board; by state court administration; by a service provider,  
316.11 employer, license holder, or other entity that initiates the background study; by the  
316.12 commissioner or other organization with duly appropriated money; by a background study  
316.13 subject; or by some combination of these sources.

316.14 Subd. 3. **Fingerprint and photograph processing fees.** The commissioner shall enter  
316.15 into a contract with a qualified vendor or vendors to obtain and process a background study  
316.16 subject's classifiable fingerprints and photograph as required by section 245J.05. The  
316.17 commissioner may, at their discretion, directly collect fees and reimburse the commissioner's  
316.18 authorized fingerprint collection vendor for the vendor's services or require the vendor to  
316.19 collect the fees. The authorized vendor is responsible for reimbursing the vendor's  
316.20 subcontractors at a rate specified in the contract with the commissioner.

316.21 Subd. 4. **National criminal history record check fees.** The commissioner may increase  
316.22 background study fees as necessary, commensurate with an increase in the national criminal  
316.23 history record check fee. The commissioner shall report any fee increase under this  
316.24 subdivision to the legislature during the legislative session following the fee increase, so  
316.25 that the legislature may consider adoption of the fee increase into statute. By July 1 of every  
316.26 year, background study fees shall be set at the amount adopted by the legislature under this  
316.27 section.

316.28 Subd. 5. **Minnesota Sex Offender Program.** The commissioner shall recover the cost  
316.29 of background studies for the Minnesota Sex Offender Program required under section  
316.30 245J.03, subdivision 1, through a fee of no more than \$42 per study charged to the entity  
316.31 submitting the study. The fees collected under this subdivision are appropriated to the  
316.32 commissioner for the purpose of conducting background studies.

317.1 Sec. 42. **[245J.11] BACKGROUND STUDY PROCESSING.**

317.2 **Subdivision 1. Completion of background study.** Upon receipt of the background  
317.3 study forms from an entity required to initiate a background study under this chapter, the  
317.4 commissioner shall complete the background study and provide the notice required under  
317.5 section 245J.15, subdivision 1.

317.6 **Subd. 2. Activities pending completion of background study.** (a) The subject of a  
317.7 background study may not perform any activity requiring a background study under  
317.8 paragraph (c) until the commissioner has issued one of the notices under paragraph (b).

317.9 (b) Notices from the commissioner required prior to activity under paragraph (c) include:

317.10 (1) a notice of the study results under section 245J.15 stating that:

317.11 (i) the individual is not disqualified; or

317.12 (ii) more time is needed to complete the study but the individual is not required to be  
317.13 removed from direct contact or access to people receiving services prior to completion of  
317.14 the study as provided under section 245J.15, subdivision 1, paragraph (b) or (c). The notice  
317.15 that more time is needed to complete the study must also indicate whether the individual is  
317.16 required to be under continuous direct supervision prior to completion of the background  
317.17 study;

317.18 (2) a notice that a disqualification has been set aside under section 245J.21; or

317.19 (3) a notice that a variance has been granted related to the individual under section  
317.20 245J.27.

317.21 (c) Activities prohibited prior to receipt of notice under paragraph (b) include:

317.22 (1) being issued a license; or

317.23 (2) providing direct contact services to persons served by a program unless the subject  
317.24 is under continuous direct supervision.

317.25 **Subd. 3. Other state information.** If the commissioner has not received criminal, sex  
317.26 offender, or maltreatment information from another state that is required to be reviewed  
317.27 under this chapter within ten days of requesting the information, and the lack of the  
317.28 information is the only reason that a notice is issued under subdivision 2, paragraph (b),  
317.29 clause (1), item (ii), the commissioner may issue a notice under subdivision 2, paragraph  
317.30 (b), clause (1), item (i). The commissioner may take action on information received from  
317.31 other states after issuing a notice under subdivision 2, paragraph (b), clause (1), item (ii).

318.1 Sec. 43. **[245J.12] DISQUALIFICATION.**

318.2 **Subdivision 1. Disqualification from direct contact.** (a) The commissioner shall  
318.3 disqualify an individual who is the subject of a background study from any position allowing  
318.4 direct contact with persons receiving services from the entity identified in section 245J.03,  
318.5 upon receipt of information showing, or when a background study completed under this  
318.6 chapter shows any of the following:

318.7 (1) a conviction of, admission to, or Alford plea to one or more crimes listed in section  
318.8 245J.13, regardless of whether the conviction or admission is a felony, gross misdemeanor,  
318.9 or misdemeanor level crime;

318.10 (2) a preponderance of the evidence indicates the individual has committed an act or  
318.11 acts that meet the definition of any of the crimes listed in section 245J.13, regardless of  
318.12 whether the preponderance of the evidence is for a felony, gross misdemeanor, or  
318.13 misdemeanor level crime;

318.14 (3) an investigation results in an administrative determination listed under section 245J.13,  
318.15 subdivision 4, paragraph (b); or

318.16 (4) involuntary termination of parental rights issued under subdivision 3 or section  
318.17 260C.301, subdivision 1, paragraph (b).

318.18 (b) No individual who is disqualified following a background study under this chapter  
318.19 may be retained in a position involving direct contact with persons served by a program or  
318.20 entity identified in section 245J.03, unless the commissioner has provided written notice  
318.21 under section 245J.15 stating that:

318.22 (1) the individual may remain in direct contact during the period in which the individual  
318.23 may request reconsideration as provided in section 245J.19, subdivision 2;

318.24 (2) the commissioner has set aside the individual's disqualification for that entity as  
318.25 provided in section 245J.20, subdivision 4; or

318.26 (3) the license holder has been granted a variance for the disqualified individual under  
318.27 section 245J.27.

318.28 **Subd. 2. Disqualification from access.** (a) If an individual who is studied under this  
318.29 chapter is disqualified from direct contact under subdivision 1, the commissioner shall also  
318.30 disqualify the individual from access to a person receiving services from the entity.

319.1 (b) No individual who is disqualified following a background study under this chapter  
319.2 may be allowed access to persons served by the program unless the commissioner has  
319.3 provided written notice under section 245J.15 stating that:

319.4 (1) the individual may remain in direct contact during the period in which the individual  
319.5 may request reconsideration as provided in section 245J.19, subdivision 2;

319.6 (2) the commissioner has set aside the individual's disqualification for that entity as  
319.7 provided in section 245J.20, subdivision 4; or

319.8 (3) the license holder has been granted a variance for the disqualified individual under  
319.9 section 245J.27.

319.10 Sec. 44. **[245J.13] DISQUALIFYING CRIMES OR CONDUCT.**

319.11 **Subdivision 1. Permanent disqualification.** (a) An individual is disqualified under  
319.12 section 245J.12 if: (1) regardless of how much time has passed since the discharge of the  
319.13 sentence imposed, if any, for the offense; and (2) unless otherwise specified, regardless of  
319.14 the level of the offense, the individual has committed any of the following offenses: sections  
319.15 243.166 (violation of predatory offender registration law); 609.185 (murder in the first  
319.16 degree); 609.19 (murder in the second degree); 609.195 (murder in the third degree); 609.20  
319.17 (manslaughter in the first degree); 609.205 (manslaughter in the second degree); a felony  
319.18 offense under 609.221 or 609.222 (assault in the first or second degree); a felony offense  
319.19 under sections 609.2242 and 609.2243 (domestic assault), spousal abuse, child abuse or  
319.20 neglect, or a crime against children; 609.2247 (domestic assault by strangulation); 609.228  
319.21 (great bodily harm caused by distribution of drugs); 609.245 (aggravated robbery); 609.25  
319.22 (kidnapping); 609.2661 (murder of an unborn child in the first degree); 609.2662 (murder  
319.23 of an unborn child in the second degree); 609.2663 (murder of an unborn child in the third  
319.24 degree); 609.322 (solicitation, inducement, and promotion of prostitution); 609.324,  
319.25 subdivision 1 (other prohibited acts); 609.342 (criminal sexual conduct in the first degree);  
319.26 609.343 (criminal sexual conduct in the second degree); 609.344 (criminal sexual conduct  
319.27 in the third degree); 609.345 (criminal sexual conduct in the fourth degree); 609.3451  
319.28 (criminal sexual conduct in the fifth degree); 609.3453 (criminal sexual predatory conduct);  
319.29 609.3458 (sexual extortion); 609.352 (solicitation of children to engage in sexual conduct);  
319.30 609.365 (incest); a felony offense under 609.377 (malicious punishment of a child); a felony  
319.31 offense under 609.378 (neglect or endangerment of a child); 609.561 (arson in the first  
319.32 degree); 609.66, subdivision 1e (drive-by shooting); 609.749, subdivision 3, 4, or 5  
319.33 (felony-level harassment or stalking); 609.855, subdivision 5 (shooting at or in a public  
319.34 transit vehicle or facility); 617.23, subdivision 2, clause (1), or subdivision 3, clause (1)

320.1 (indecent exposure involving a minor); 617.246 (use of minors in sexual performance  
320.2 prohibited); or 617.247 (possession of pictorial representations of minors).

320.3 (b) An individual's aiding and abetting, attempt, or conspiracy to commit any of the  
320.4 offenses listed in paragraph (a), as each of these offenses is defined in Minnesota Statutes,  
320.5 permanently disqualifies the individual under section 245J.12.

320.6 (c) An individual's offense in any other state or country, where the elements of the offense  
320.7 are substantially similar to any of the offenses listed in paragraph (a), permanently disqualifies  
320.8 the individual under section 245J.12.

320.9 (d) When a disqualification is based on a judicial determination other than a conviction,  
320.10 the disqualification period begins from the date of the court order. When a disqualification  
320.11 is based on an admission, the disqualification period begins from the date of an admission  
320.12 in court. When a disqualification is based on an Alford Plea, the disqualification period  
320.13 begins from the date the Alford Plea is entered in court. When a disqualification is based  
320.14 on a preponderance of evidence of a disqualifying act, the disqualification date begins from  
320.15 the date of the dismissal, the date of discharge of the sentence imposed for a conviction for  
320.16 a disqualifying crime of similar elements, or the date of the incident, whichever occurs last.

320.17 (e) If the individual studied commits one of the offenses listed in paragraph (a) that is  
320.18 specified as a felony-level only offense, but the sentence or level of offense is a gross  
320.19 misdemeanor or misdemeanor, the individual is disqualified, but the disqualification  
320.20 look-back period for the offense is the period applicable to gross misdemeanor or  
320.21 misdemeanor offenses.

320.22 **Subd. 2. 15-year disqualification.** (a) An individual is disqualified under section 245J.12  
320.23 if: (1) less than 15 years have passed since the discharge of the sentence imposed, if any,  
320.24 for the offense; and (2) the individual has committed a felony-level violation of any of the  
320.25 following offenses: sections 256.98 (wrongfully obtaining assistance); 268.182 (fraud);  
320.26 393.07, subdivision 10, paragraph (c) (federal SNAP fraud); 609.165 (felon ineligible to  
320.27 possess firearm); 609.2112, 609.2113, or 609.2114 (criminal vehicular homicide or injury);  
320.28 609.215 (suicide); 609.223 or 609.2231 (assault in the third or fourth degree); repeat offenses  
320.29 under 609.224 (assault in the fifth degree); 609.229 (crimes committed for benefit of a  
320.30 gang); 609.2325 (criminal abuse of a vulnerable adult); 609.2335 (financial exploitation of  
320.31 a vulnerable adult); 609.235 (use of drugs to injure or facilitate crime); 609.24 (simple  
320.32 robbery); 609.255 (false imprisonment); 609.2664 (manslaughter of an unborn child in the  
320.33 first degree); 609.2665 (manslaughter of an unborn child in the second degree); 609.267  
320.34 (assault of an unborn child in the first degree); 609.2671 (assault of an unborn child in the



321.1 second degree); 609.268 (injury or death of an unborn child in the commission of a crime);  
321.2 609.27 (coercion); 609.275 (attempt to coerce); 609.466 (medical assistance fraud); 609.495  
321.3 (aiding an offender); 609.498, subdivision 1 or 1b (aggravated first-degree or first-degree  
321.4 tampering with a witness); 609.52 (theft); 609.521 (possession of shoplifting gear); 609.525  
321.5 (bringing stolen goods into Minnesota); 609.527 (identity theft); 609.53 (receiving stolen  
321.6 property); 609.535 (issuance of dishonored checks); 609.562 (arson in the second degree);  
321.7 609.563 (arson in the third degree); 609.582 (burglary); 609.59 (possession of burglary  
321.8 tools); 609.611 (insurance fraud); 609.625 (aggravated forgery); 609.63 (forgery); 609.631  
321.9 (check forgery; offering a forged check); 609.635 (obtaining signature by false pretense);  
321.10 609.66 (dangerous weapons); 609.67 (machine guns and short-barreled shotguns); 609.687  
321.11 (adulteration); 609.71 (riot); 609.713 (terroristic threats); 609.82 (fraud in obtaining credit);  
321.12 609.821 (financial transaction card fraud); 617.23 (indecent exposure), not involving a  
321.13 minor; repeat offenses under 617.241 (obscene materials and performances; distribution  
321.14 and exhibition prohibited; penalty); 624.713 (certain persons not to possess firearms); chapter  
321.15 152 (drugs; controlled substance); or Minnesota Statutes 2012, section 609.21; or a  
321.16 felony-level conviction involving alcohol or drug use.

321.17 (b) An individual is disqualified under section 245J.12 if less than 15 years has passed  
321.18 since the individual's aiding and abetting, attempt, or conspiracy to commit any of the  
321.19 offenses listed in paragraph (a), as each of these offenses is defined in Minnesota Statutes.

321.20 (c) An individual is disqualified under section 245J.12 if less than 15 years has passed  
321.21 since the termination of the individual's parental rights under section 260C.301, subdivision  
321.22 1, paragraph (b), or subdivision 3.

321.23 (d) An individual is disqualified under section 245J.12 if less than 15 years has passed  
321.24 since the discharge of the sentence imposed for an offense in any other state or country, the  
321.25 elements of which are substantially similar to the elements of the offenses listed in paragraph  
321.26 (a).

321.27 (e) If the individual studied commits one of the offenses listed in paragraph (a), but the  
321.28 sentence or level of offense is a gross misdemeanor or misdemeanor, the individual is  
321.29 disqualified but the disqualification look-back period for the offense is the period applicable  
321.30 to the gross misdemeanor or misdemeanor disposition.

321.31 (f) When a disqualification is based on a judicial determination other than a conviction,  
321.32 the disqualification period begins from the date of the court order. When a disqualification  
321.33 is based on an admission, the disqualification period begins from the date of an admission  
321.34 in court. When a disqualification is based on an Alford Plea, the disqualification period

322.1 begins from the date the Alford Plea is entered in court. When a disqualification is based  
 322.2 on a preponderance of evidence of a disqualifying act, the disqualification date begins from  
 322.3 the date of the dismissal, the date of discharge of the sentence imposed for a conviction for  
 322.4 a disqualifying crime of similar elements, or the date of the incident, whichever occurs last.

322.5 **Subd. 3. Ten-year disqualification.** (a) An individual is disqualified under section  
 322.6 245J.12 if: (1) less than ten years have passed since the discharge of the sentence imposed,  
 322.7 if any, for the offense; and (2) the individual has committed a gross misdemeanor-level  
 322.8 violation of any of the following offenses: sections 256.98 (wrongfully obtaining assistance);  
 322.9 268.182 (fraud); 393.07, subdivision 10, paragraph (c) (federal SNAP fraud); 609.2112,  
 322.10 609.2113, or 609.2114 (criminal vehicular homicide or injury); 609.221 or 609.222 (assault  
 322.11 in the first or second degree); 609.223 or 609.2231 (assault in the third or fourth degree);  
 322.12 609.224 (assault in the fifth degree); 609.224, subdivision 2, paragraph (c) (assault in the  
 322.13 fifth degree by a caregiver against a vulnerable adult); 609.2242 and 609.2243 (domestic  
 322.14 assault); 609.23 (mistreatment of persons confined); 609.231 (mistreatment of residents or  
 322.15 patients); 609.2325 (criminal abuse of a vulnerable adult); 609.233 (criminal neglect of a  
 322.16 vulnerable adult); 609.2335 (financial exploitation of a vulnerable adult); 609.234 (failure  
 322.17 to report maltreatment of a vulnerable adult); 609.265 (abduction); 609.275 (attempt to  
 322.18 coerce); 609.324, subdivision 1a (other prohibited acts; minor engaged in prostitution);  
 322.19 609.33 (disorderly house); 609.377 (malicious punishment of a child); 609.378 (neglect or  
 322.20 endangerment of a child); 609.466 (medical assistance fraud); 609.52 (theft); 609.525  
 322.21 (bringing stolen goods into Minnesota); 609.527 (identity theft); 609.53 (receiving stolen  
 322.22 property); 609.535 (issuance of dishonored checks); 609.582 (burglary); 609.59 (possession  
 322.23 of burglary tools); 609.611 (insurance fraud); 609.631 (check forgery; offering a forged  
 322.24 check); 609.66 (dangerous weapons); 609.71 (riot); 609.72, subdivision 3 (disorderly conduct  
 322.25 against a vulnerable adult); repeat offenses under 609.746 (interference with privacy);  
 322.26 609.749, subdivision 2 (harassment); 609.82 (fraud in obtaining credit); 609.821 (financial  
 322.27 transaction card fraud); 617.23 (indecent exposure), not involving a minor; 617.241 (obscene  
 322.28 materials and performances); 617.243 (indecent literature, distribution); 617.293 (harmful  
 322.29 materials; dissemination and display to minors prohibited); or Minnesota Statutes 2012,  
 322.30 section 609.21; or violation of an order for protection under section 518B.01, subdivision  
 322.31 14.

322.32 (b) An individual is disqualified under section 245J.12 if less than ten years has passed  
 322.33 since the individual's aiding and abetting, attempt, or conspiracy to commit any of the  
 322.34 offenses listed in paragraph (a), as each of these offenses is defined in Minnesota Statutes.

323.1 (c) An individual is disqualified under section 245J.12 if less than ten years has passed  
323.2 since the discharge of the sentence imposed for an offense in any other state or country, the  
323.3 elements of which are substantially similar to the elements of any of the offenses listed in  
323.4 paragraph (a).

323.5 (d) If the individual studied commits one of the offenses listed in paragraph (a), but the  
323.6 sentence or level of offense is a misdemeanor disposition, the individual is disqualified but  
323.7 the disqualification lookback period for the offense is the period applicable to misdemeanors.

323.8 (e) When a disqualification is based on a judicial determination other than a conviction,  
323.9 the disqualification period begins from the date of the court order. When a disqualification  
323.10 is based on an admission, the disqualification period begins from the date of an admission  
323.11 in court. When a disqualification is based on an Alford Plea, the disqualification period  
323.12 begins from the date the Alford Plea is entered in court. When a disqualification is based  
323.13 on a preponderance of evidence of a disqualifying act, the disqualification date begins from  
323.14 the date of the dismissal, the date of discharge of the sentence imposed for a conviction for  
323.15 a disqualifying crime of similar elements, or the date of the incident, whichever occurs last.

323.16 Subd. 4. **Seven-year disqualification.** (a) An individual is disqualified under section  
323.17 245J.12 if: (1) less than seven years has passed since the discharge of the sentence imposed,  
323.18 if any, for the offense; and (2) the individual has committed a misdemeanor-level violation  
323.19 of any of the following offenses: sections 256.98 (wrongfully obtaining assistance); 268.182  
323.20 (fraud); 393.07, subdivision 10, paragraph (c) (federal SNAP fraud); 609.2112, 609.2113,  
323.21 or 609.2114 (criminal vehicular homicide or injury); 609.221 (assault in the first degree);  
323.22 609.222 (assault in the second degree); 609.223 (assault in the third degree); 609.2231  
323.23 (assault in the fourth degree); 609.224 (assault in the fifth degree); 609.2242 (domestic  
323.24 assault); 609.2335 (financial exploitation of a vulnerable adult); 609.234 (failure to report  
323.25 maltreatment of a vulnerable adult); 609.2672 (assault of an unborn child in the third degree);  
323.26 609.27 (coercion); violation of an order for protection under 609.3232 (protective order  
323.27 authorized; procedures; penalties); 609.466 (medical assistance fraud); 609.52 (theft);  
323.28 609.525 (bringing stolen goods into Minnesota); 609.527 (identity theft); 609.53 (receiving  
323.29 stolen property); 609.535 (issuance of dishonored checks); 609.611 (insurance fraud); 609.66  
323.30 (dangerous weapons); 609.665 (spring guns); 609.746 (interference with privacy); 609.79  
323.31 (obscene or harassing telephone calls); 609.795 (letter, telegram, or package; opening;  
323.32 harassment); 609.82 (fraud in obtaining credit); 609.821 (financial transaction card fraud);  
323.33 617.23 (indecent exposure), not involving a minor; 617.293 (harmful materials; dissemination  
323.34 and display to minors prohibited); or Minnesota Statutes 2012, section 609.21; or violation  
323.35 of an order for protection under section 518B.01 (Domestic Abuse Act).

324.1 (b) An individual is disqualified under section 245J.12 if less than seven years has passed  
324.2 since a determination or disposition of the individual's:

324.3 (1) failure to make required reports under section 260E.06 or 626.557, subdivision 3,  
324.4 for incidents in which: (i) the final disposition under section 626.557 or chapter 260E was  
324.5 substantiated maltreatment, and (ii) the maltreatment was recurring or serious; or

324.6 (2) substantiated serious or recurring maltreatment of a minor under chapter 260E, a  
324.7 vulnerable adult under section 626.557, or serious or recurring maltreatment in any other  
324.8 state, the elements of which are substantially similar to the elements of maltreatment under  
324.9 section 626.557 or chapter 260E for which: (i) there is a preponderance of evidence that  
324.10 the maltreatment occurred, and (ii) the subject was responsible for the maltreatment.

324.11 (c) An individual is disqualified under section 245J.12 if less than seven years has passed  
324.12 since the individual's aiding and abetting, attempt, or conspiracy to commit any of the  
324.13 offenses listed in paragraphs (a) and (b), as each of these offenses is defined in Minnesota  
324.14 Statutes.

324.15 (d) An individual is disqualified under section 245J.12 if less than seven years has passed  
324.16 since the discharge of the sentence imposed for an offense in any other state or country, the  
324.17 elements of which are substantially similar to the elements of any of the offenses listed in  
324.18 paragraphs (a) and (b).

324.19 (e) When a disqualification is based on a judicial determination other than a conviction,  
324.20 the disqualification period begins from the date of the court order. When a disqualification  
324.21 is based on an admission, the disqualification period begins from the date of an admission  
324.22 in court. When a disqualification is based on an Alford Plea, the disqualification period  
324.23 begins from the date the Alford Plea is entered in court. When a disqualification is based  
324.24 on a preponderance of evidence of a disqualifying act, the disqualification date begins from  
324.25 the date of the dismissal, the date of discharge of the sentence imposed for a conviction for  
324.26 a disqualifying crime of similar elements, or the date of the incident, whichever occurs last.

324.27 (f) An individual is disqualified under section 245J.12 if less than seven years has passed  
324.28 since the individual was disqualified under section 256.98, subdivision 8.

324.29 Sec. 45. **[245J.14] DISQUALIFIED INDIVIDUAL'S RISK OF HARM.**

324.30 **Subdivision 1. Determining immediate risk of harm.** (a) If the commissioner determines  
324.31 that the individual studied has a disqualifying characteristic, the commissioner shall review  
324.32 the information immediately available and make a determination as to the subject's immediate

325.1 risk of harm to persons served by the program where the individual studied will have direct  
325.2 contact with, or access to, people receiving services.

325.3 (b) The commissioner shall consider all relevant information available, including the  
325.4 following factors in determining the immediate risk of harm:

325.5 (1) the recency of the disqualifying characteristic;

325.6 (2) the recency of discharge from probation for the crimes;

325.7 (3) the number of disqualifying characteristics;

325.8 (4) the intrusiveness or violence of the disqualifying characteristic;

325.9 (5) the vulnerability of the victim involved in the disqualifying characteristic;

325.10 (6) the similarity of the victim to the persons served by the program where the individual  
325.11 studied will have direct contact;

325.12 (7) whether the individual has a disqualification from a previous background study that  
325.13 has not been set aside;

325.14 (8) if the individual has a disqualification which may not be set aside because it is a  
325.15 permanent bar under section 245J.22, the commissioner may order the immediate removal  
325.16 of the individual from any position allowing direct contact with, or access to, persons  
325.17 receiving services from the entity; and

325.18 (c) If the commissioner has reason to believe, based on arrest information or an active  
325.19 maltreatment investigation, that an individual poses an imminent risk of harm to persons  
325.20 receiving services, the commissioner may order that the person be continuously supervised  
325.21 or immediately removed pending the conclusion of the maltreatment investigation or criminal  
325.22 proceedings.

325.23 Subd. 2. **Findings.** (a) After evaluating the information immediately available under  
325.24 subdivision 1, the commissioner may have reason to believe one of the following:

325.25 (1) the individual poses an imminent risk of harm to persons served by the program  
325.26 where the individual studied will have direct contact or access to persons served by the  
325.27 entity or where the individual studied will work;

325.28 (2) the individual poses a risk of harm requiring continuous, direct supervision while  
325.29 providing direct contact services during the period in which the subject may request a  
325.30 reconsideration; or

326.1 (3) the individual does not pose an imminent risk of harm or a risk of harm requiring  
326.2 continuous, direct supervision while providing direct contact services during the period in  
326.3 which the subject may request a reconsideration.

326.4 (b) After determining an individual's risk of harm under this section, the commissioner  
326.5 must notify the subject of the background study and the applicant or license holder as  
326.6 required under section 245J.15.

326.7 **Sec. 46. [245J.15] NOTICE OF BACKGROUND STUDY RESULTS.**

326.8 **Subdivision 1. Time frame for notice of study results and auditing system access.** (a)  
326.9 Within three working days after the commissioner's receipt of a request for a background  
326.10 study submitted through the commissioner's NETStudy 2.0 system, the commissioner shall  
326.11 notify the background study subject and the entity that submitted the study in writing or by  
326.12 electronic transmission of the results of the study or that more time is needed to complete  
326.13 the study. The notice to the individual shall include the identity of the entity that initiated  
326.14 the background study.

326.15 (b) Before being provided access to NETStudy 2.0, the entity shall sign an  
326.16 acknowledgment of responsibilities form developed by the commissioner that includes  
326.17 identifying the sensitive background study information person, who must be an employee  
326.18 of the entity. All queries to NETStudy 2.0 are electronically recorded and subject to audit  
326.19 by the commissioner. The electronic record shall identify the specific user. A background  
326.20 study subject may request in writing to the commissioner a report listing the entities that  
326.21 initiated a background study on the individual.

326.22 (c) When the commissioner has completed a prior background study on an individual  
326.23 that resulted in an order for immediate removal and more time is necessary to complete a  
326.24 subsequent study, the notice that more time is needed that is issued under paragraph (a)  
326.25 shall include an order for immediate removal of the individual from any position allowing  
326.26 direct contact with or access to people receiving services.

326.27 **Subd. 2. Disqualification notice sent to subject.** If the information in the study indicates  
326.28 the individual is disqualified from direct contact with, or from access to, persons served by  
326.29 the program, the commissioner shall disclose to the individual studied:

326.30 (1) the information causing disqualification;

326.31 (2) instructions on how to request a reconsideration of the disqualification;

326.32 (3) an explanation of any restrictions on the commissioner's discretion to set aside the  
326.33 disqualification under section 245J.22, when applicable to the individual; and

327.1 (4) a statement that when a subsequent background study is initiated on the individual  
327.2 following a set-aside of the individual's disqualification, and the commissioner makes a  
327.3 determination under section 245J.20, subdivision 5, paragraph (b), that the previous set-aside  
327.4 applies to the subsequent background study, the entity that initiated the background study  
327.5 will be informed that the individual's disqualification is set aside for that entity.

327.6 **Subd. 3. Disqualification notification.** (a) The commissioner shall notify the entity that  
327.7 submitted the study:

327.8 (1) that the commissioner has found information that disqualifies the individual studied  
327.9 from being in a position allowing direct contact with, or access to, people served by the  
327.10 entity; and

327.11 (2) the commissioner's determination of the individual's risk of harm under section  
327.12 245J.14.

327.13 (b) If the commissioner determines under section 245J.14 that an individual studied  
327.14 poses an imminent risk of harm to persons served by the entity where the individual studied  
327.15 will have direct contact with, or access to, people served by the entity, the commissioner  
327.16 shall order the license holder to immediately remove the individual studied from any position  
327.17 allowing direct contact with, or access to, people served by the entity.

327.18 (c) If the commissioner determines under section 245J.14 that an individual studied  
327.19 poses a risk of harm that requires continuous, direct supervision, the commissioner shall  
327.20 order the entity to:

327.21 (1) immediately remove the individual studied from any position allowing direct contact  
327.22 with, or access to, people receiving services; or

327.23 (2) before allowing the disqualified individual to be in a position allowing direct contact  
327.24 with, or access to, people receiving services, the entity must:

327.25 (i) ensure that the individual studied is under continuous, direct supervision when in a  
327.26 position allowing direct contact with, or access to, people receiving services during the  
327.27 period in which the individual may request a reconsideration of the disqualification under  
327.28 section 245J.19; and

327.29 (ii) ensure that the disqualified individual requests reconsideration within 30 days of  
327.30 receipt of the notice of disqualification.

327.31 (d) If the commissioner determines under section 245J.14 that an individual studied does  
327.32 not pose a risk of harm that requires continuous, direct supervision, the commissioner shall  
327.33 order the entity to:

328.1 (1) immediately remove the individual studied from any position allowing direct contact  
328.2 with, or access to, people receiving services; or

328.3 (2) before allowing the disqualified individual to be in any position allowing direct  
328.4 contact with, or access to, people receiving services, the entity must ensure that the  
328.5 disqualified individual requests reconsideration within 15 days of receipt of the notice of  
328.6 disqualification.

328.7 (e) The commissioner shall not notify the entity of the information contained in the  
328.8 subject's background study unless:

328.9 (1) the basis for the disqualification is failure to cooperate with the background study  
328.10 or substantiated maltreatment under section 626.557 or chapter 260E;

328.11 (2) the Data Practices Act under chapter 13 provides for release of the information; or

328.12 (3) the individual studied provides the commissioner with written, informed consent  
328.13 authorizing the release of the information.

328.14 Sec. 47. **[245J.16] OBLIGATION TO REMOVE DISQUALIFIED INDIVIDUAL**  
328.15 **FROM DIRECT CONTACT OR ACCESS TO PEOPLE RECEIVING SERVICES.**

328.16 Upon receipt of notice from the commissioner, the entity must remove a disqualified  
328.17 individual from direct contact with or access to persons served by the entity if:

328.18 (1) the individual does not request reconsideration under section 245J.19 within the  
328.19 prescribed time;

328.20 (2) the individual submits a timely request for reconsideration, the commissioner does  
328.21 not set aside the disqualification under section 245J.20, subdivision 4, and the individual  
328.22 does not submit a timely request for a hearing under sections 245J.24 and 256.045, or  
328.23 245J.25 and chapter 14; or

328.24 (3) the individual submits a timely request for a hearing under sections 245J.24 and  
328.25 256.045, or 245J.25 and chapter 14, and the commissioner does not set aside or rescind the  
328.26 disqualification under section 245A.08, subdivision 5, or 256.045.

328.27 Sec. 48. **[245J.17] TERMINATION OF AFFILIATION BASED ON**  
328.28 **DISQUALIFICATION NOTICE.**

328.29 An applicant or license holder that terminates affiliation with persons studied under this  
328.30 chapter, when the termination is made in good faith reliance on a notice of disqualification  
328.31 provided by the commissioner, shall not be subject to civil liability.



329.1 Sec. 49. **[245J.18] ENTITY RECORD KEEPING.**

329.2 **Subdivision 1. Background studies initiated by entity.** The entity shall document the  
329.3 date the entity initiates a background study under this chapter and the date the subject of  
329.4 the study first has direct contact with persons served by the entity in the entity's personnel  
329.5 files. When a background study is completed under this chapter, an entity shall maintain a  
329.6 notice that the study was undertaken and completed in the entity's personnel files.

329.7 **Subd. 2. Background studies initiated by others; personnel pool agencies, temporary**  
329.8 **personnel agencies, supplemental nursing services agencies, or professional services**  
329.9 **agencies.** When a license holder relies on a background study initiated by a personnel pool  
329.10 agency, a temporary personnel agency, a supplemental nursing services agency, or a  
329.11 professional services agency for a person required to have a background study completed  
329.12 under this chapter, the entity must maintain a copy of the background study results in the  
329.13 entity's files.

329.14 **Subd. 3. Background studies initiated by others; educational programs.** When an  
329.15 entity relies on a background study initiated by an educational program for a person required  
329.16 to have a background study completed under this chapter and the person is on the educational  
329.17 program's active roster, the entity is responsible for ensuring that the background study has  
329.18 been completed. The entity may satisfy the documentation requirements through a written  
329.19 agreement with the educational program verifying that documentation of the background  
329.20 study may be provided upon request and that the educational program will inform the entity  
329.21 if there is a change in the person's background study status. The entity remains responsible  
329.22 for ensuring that all background study requirements are met.

329.23 **Subd. 4. Background studies identified on active rosters.** The requirements in  
329.24 subdivisions 1 and 2 are met for entities for which active rosters are implemented and for  
329.25 whom all individuals affiliated with the entity are recorded on the active roster.

329.26 Sec. 50. **[245J.19] REQUESTING RECONSIDERATION OF DISQUALIFICATION.**

329.27 **Subdivision 1. Who may request reconsideration.** An individual who is the subject of  
329.28 a disqualification may request a reconsideration of the disqualification pursuant to this  
329.29 section. The individual must submit the request for reconsideration to the commissioner in  
329.30 writing.

329.31 **Subd. 2. Submission of reconsideration request.** A reconsideration request shall be  
329.32 submitted within 30 days of the individual's receipt of the disqualification notice or the time  
329.33 frames specified in subdivision 3, whichever time frame is shorter.

330.1 Subd. 3. **Time frame for requesting reconsideration.** (a) When the commissioner  
330.2 sends an individual a notice of disqualification based on a finding under section 245J.14,  
330.3 subdivision 2, paragraph (a), clause (1) or (2), the disqualified individual must submit the  
330.4 request for a reconsideration within 30 calendar days of the individual's receipt of the notice  
330.5 of disqualification. If mailed, the request for reconsideration must be postmarked and sent  
330.6 to the commissioner within 30 calendar days of the individual's receipt of the notice of  
330.7 disqualification. If a request for reconsideration is made by personal service, it must be  
330.8 received by the commissioner within 30 calendar days after the individual's receipt of the  
330.9 notice of disqualification. Upon showing that the information under subdivision 3 cannot  
330.10 be obtained within 30 days, the disqualified individual may request additional time, not to  
330.11 exceed 30 days, to obtain the information.

330.12 (b) When the commissioner sends an individual a notice of disqualification based on a  
330.13 finding under section 245J.14, subdivision 2, paragraph (a), clause (3), the disqualified  
330.14 individual must submit the request for reconsideration within 15 calendar days of the  
330.15 individual's receipt of the notice of disqualification. If mailed, the request for reconsideration  
330.16 must be postmarked and sent to the commissioner within 15 calendar days of the individual's  
330.17 receipt of the notice of disqualification. If a request for reconsideration is made by personal  
330.18 service, it must be received by the commissioner within 15 calendar days after the individual's  
330.19 receipt of the notice of disqualification.

330.20 (c) An individual who was determined to have maltreated a child under chapter 260E  
330.21 or a vulnerable adult under section 626.557, and who is disqualified on the basis of serious  
330.22 or recurring maltreatment, may request a reconsideration of both the maltreatment and the  
330.23 disqualification determinations. The request must be submitted within 30 calendar days of  
330.24 the individual's receipt of the notice of disqualification. If mailed, the request for  
330.25 reconsideration must be postmarked and sent to the commissioner within 30 calendar days  
330.26 of the individual's receipt of the notice of disqualification. If a request for reconsideration  
330.27 is made by personal service, it must be received by the commissioner within 30 calendar  
330.28 days after the individual's receipt of the notice of disqualification.

330.29 (d) Reconsideration of a maltreatment determination under sections 260E.33 and 626.557,  
330.30 subdivision 9d, and reconsideration of a disqualification under section 245J.20, shall not  
330.31 be conducted when:

330.32 (1) a denial of a license under section 245A.05, or a licensing sanction under section  
330.33 245A.07, is based on a determination that the license holder is responsible for maltreatment  
330.34 or the disqualification of a license holder based on serious or recurring maltreatment;

331.1 (2) the denial of a license or licensing sanction is issued at the same time as the  
331.2 maltreatment determination or disqualification; and

331.3 (3) the license holder appeals the maltreatment determination, disqualification, and  
331.4 denial of a license or licensing sanction. In such cases, a fair hearing under section 256.045  
331.5 must not be conducted under sections 245J.24, 260E.33, and 626.557, subdivision 9d. Under  
331.6 section 245A.08, subdivision 2a, the scope of the consolidated contested case hearing must  
331.7 include the maltreatment determination, disqualification, and denial of a license or licensing  
331.8 sanction.

331.9 Notwithstanding clauses (1) to (3), if the license holder appeals the maltreatment  
331.10 determination or disqualification, but does not appeal the denial of a license or a licensing  
331.11 sanction, reconsideration of the maltreatment determination shall be conducted under sections  
331.12 260E.33 and 626.557, subdivision 9d, and reconsideration of the disqualification shall be  
331.13 conducted under section 245J.20. In such cases, a fair hearing shall also be conducted as  
331.14 provided under sections 245J.24, 260E.33, and 626.557, subdivision 9d.

331.15 Subd. 4. **Disqualified individuals; information for reconsideration.** (a) The disqualified  
331.16 individual requesting reconsideration must submit information showing that:

331.17 (1) the information the commissioner relied upon in determining the underlying conduct  
331.18 that gave rise to the disqualification is incorrect;

331.19 (2) for maltreatment, the information the commissioner relied upon in determining that  
331.20 maltreatment was serious or recurring is incorrect; or

331.21 (3) the subject of the study does not pose a risk of harm to any person served by the  
331.22 entity as provided in this chapter, by addressing the information required under section  
331.23 245J.20, subdivision 4.

331.24 (b) In order to determine the individual's risk of harm, the commissioner may require  
331.25 additional information from the disqualified individual as part of the reconsideration process.  
331.26 If the individual fails to provide the required information, the commissioner may deny the  
331.27 individual's request.

331.28 Subd. 5. **Notice of request for reconsideration.** Upon request, the commissioner may  
331.29 inform the entity as provided in this chapter who received a notice of the individual's  
331.30 disqualification under section 245J.15, subdivision 3, or has the consent of the disqualified  
331.31 individual, whether the disqualified individual has requested reconsideration.

332.1 Sec. 51. **[245J.20] REVIEW AND ACTION ON A RECONSIDERATION REQUEST.**

332.2 Subdivision 1. **Time frame; response to disqualification reconsideration requests.** (a)

332.3 The commissioner shall respond in writing or by electronic transmission to all reconsideration  
332.4 requests for which the basis for the request is that the information the commissioner relied  
332.5 upon to disqualify is incorrect or inaccurate within 30 working days of receipt of a complete  
332.6 request and all required relevant information.

332.7 (b) If the basis for a disqualified individual's reconsideration request is that the individual  
332.8 does not pose a risk of harm, the commissioner shall respond to the request within 15 working  
332.9 days after receiving a complete request for reconsideration and all required relevant  
332.10 information.

332.11 (c) If the disqualified individual's reconsideration request is based on both the correctness  
332.12 or accuracy of the information the commissioner relied upon to disqualify the individual  
332.13 and the individual's risk of harm, the commissioner shall respond to the request within 45  
332.14 working days after receiving a complete request for reconsideration and all required relevant  
332.15 information.

332.16 Subd. 2. **Incorrect information; rescission.** The commissioner shall rescind the  
332.17 disqualification if the commissioner finds that the information relied upon to disqualify the  
332.18 subject is incorrect.

332.19 Subd. 3. **Preeminent weight given to safety of persons being served.** In reviewing a  
332.20 request for reconsideration of a disqualification, the commissioner shall give preeminent  
332.21 weight to the safety of each person served by the entity as provided in this chapter over the  
332.22 interests of the disqualified individual or entity as provided in this chapter, and any single  
332.23 factor under subdivision 4, paragraph (b), may be determinative of the commissioner's  
332.24 decision whether to set aside the individual's disqualification.

332.25 Subd. 4. **Risk of harm; set aside.** (a) The commissioner may set aside the disqualification  
332.26 if the commissioner finds that the individual has submitted sufficient information to  
332.27 demonstrate that the individual does not pose a risk of harm to any person served by the  
332.28 entity as provided in this chapter.

332.29 (b) In determining whether the individual has met the burden of proof by demonstrating  
332.30 the individual does not pose a risk of harm, the commissioner shall consider:

332.31 (1) the nature, severity, and consequences of the event or events that led to the  
332.32 disqualification;

332.33 (2) whether there is more than one disqualifying event;

333.1 (3) the age and vulnerability of the victim at the time of the event;

333.2 (4) the harm suffered by the victim;

333.3 (5) vulnerability of persons served by the program;

333.4 (6) the similarity between the victim and persons served by the program;

333.5 (7) the time elapsed without a repeat of the same or similar event;

333.6 (8) documentation of successful completion by the individual studied of training or

333.7 rehabilitation pertinent to the event; and

333.8 (9) any other information relevant to reconsideration.

333.9 (c) If the individual requested reconsideration on the basis that the information relied  
333.10 upon to disqualify the individual was incorrect or inaccurate and the commissioner determines  
333.11 that the information relied upon to disqualify the individual is correct, the commissioner  
333.12 must also determine if the individual poses a risk of harm to persons receiving services in  
333.13 accordance with paragraph (b).

333.14 Subd. 5. **Scope of set-aside.** (a) If the commissioner sets aside a disqualification under  
333.15 this section, the disqualified individual remains disqualified, but may hold a license and  
333.16 have direct contact with or access to persons receiving services. Except as provided in  
333.17 paragraph (b), the commissioner's set-aside of a disqualification is limited solely to the  
333.18 licensed program, applicant, or agency specified in the set aside notice under section 245J.21.  
333.19 For personal care provider organizations, the commissioner's set-aside may further be limited  
333.20 to a specific individual who is receiving services. For new background studies required  
333.21 under section 245J.04, subdivision 1, paragraph (c), if an individual's disqualification was  
333.22 previously set aside for the license holder's program and the new background study results  
333.23 in no new information that indicates the individual may pose a risk of harm to persons  
333.24 receiving services from the license holder, the previous set-aside shall remain in effect.

333.25 (b) If the commissioner has previously set aside an individual's disqualification for one  
333.26 or more entities, and the individual is the subject of a subsequent background study for a  
333.27 different entity, the commissioner shall determine whether the disqualification is set aside  
333.28 for the entity that initiated the subsequent background study. A notice of a set-aside under  
333.29 paragraph (c) shall be issued within 15 working days if all of the following criteria are met:

333.30 (1) the subsequent background study was initiated in connection with an entity licensed  
333.31 or regulated under the same provisions of law and rule for at least one entity for which the  
333.32 individual's disqualification was previously set aside by the commissioner;

334.1 (2) the individual is not disqualified for an offense specified in section 245J.13,  
334.2 subdivision 1 or 2;

334.3 (3) the commissioner has received no new information to indicate that the individual  
334.4 may pose a risk of harm to any person served by the program; and

334.5 (4) the previous set-aside was not limited to a specific person receiving services.

334.6 (c) When a disqualification is set aside under paragraph (b), the notice of background  
334.7 study results issued under section 245J.15, in addition to the requirements under section  
334.8 245J.15, shall state that the disqualification is set aside for the program or agency that  
334.9 initiated the subsequent background study. The notice must inform the individual that the  
334.10 individual may request reconsideration of the disqualification under section 245J.19 on the  
334.11 basis that the information used to disqualify the individual is incorrect.

334.12 Subd. 6. **Rescission of set-aside.** The commissioner may rescind a previous set aside  
334.13 of a disqualification under this section based on new information that indicates the individual  
334.14 may pose a risk of harm to persons served by the applicant, license holder, or other entities  
334.15 as provided in this chapter. If the commissioner rescinds a set-aside of a disqualification  
334.16 under this subdivision, the appeal rights under sections 245J.19; 245J.24, subdivision 1;  
334.17 and 245J.25, subdivision 3, shall apply.

334.18 Sec. 52. **[245J.21] COMMISSIONER'S RECONSIDERATION NOTICE.**

334.19 Subdivision 1. **Disqualification that is rescinded or set aside.** (a) If the commissioner  
334.20 rescinds or sets aside a disqualification, the commissioner shall notify the entity in writing  
334.21 or by electronic transmission of the decision.

334.22 (b) In the notice from the commissioner that a disqualification has been rescinded, the  
334.23 commissioner must inform the entity that the information relied upon to disqualify the  
334.24 individual was incorrect.

334.25 Subd. 2. **Commissioner's notice of disqualification that is not set aside.** (a) The  
334.26 commissioner shall notify the entity of the disqualification and order the entity to immediately  
334.27 remove the individual from any position allowing direct contact with persons receiving  
334.28 services from the entity if:

334.29 (1) the individual studied does not submit a timely request for reconsideration under  
334.30 section 245J.19;

335.1 (2) the individual submits a timely request for reconsideration, but the commissioner  
335.2 does not set aside the disqualification for that entity under section 245J.20, unless the  
335.3 individual has a right to request a hearing under section 245J.24, 245J.25, or 256.045;

335.4 (3) an individual who has a right to request a hearing under sections 245J.24 and 256.045,  
335.5 or 245J.25 and chapter 14 for a disqualification that has not been set aside, does not request  
335.6 a hearing within the specified time; or

335.7 (4) an individual submitted a timely request for a hearing under sections 245J.24 and  
335.8 256.045, or 245J.25 and chapter 14, but the commissioner does not set aside the  
335.9 disqualification under section 245A.08, subdivision 5, or 256.045.

335.10 (b) If the commissioner does not set aside the disqualification under section 245J.20,  
335.11 and the entity was previously ordered under section 245J.15 to immediately remove the  
335.12 disqualified individual from direct contact with persons receiving services or to ensure that  
335.13 the individual is under continuous, direct supervision when providing direct contact services,  
335.14 the order remains in effect pending the outcome of a hearing under sections 245J.24 and  
335.15 256.045, or 245J.25 and chapter 14.

335.16 (c) If the commissioner does not set aside the disqualification under section 245J.20,  
335.17 and the entity was not previously ordered under section 245J.15 to immediately remove the  
335.18 disqualified individual from direct contact with persons receiving services or to ensure that  
335.19 the individual is under continuous direct supervision when providing direct contact services,  
335.20 the commissioner shall order the individual to remain under continuous direct supervision  
335.21 pending the outcome of a hearing under sections 245J.24 and 256.045, or 245J.25 and  
335.22 chapter 14.

335.23 **Sec. 53. [245J.22] DISQUALIFICATION; BAR TO SET ASIDE A**  
335.24 **DISQUALIFICATION.**

335.25 The commissioner may not set aside the disqualification of any individual disqualified  
335.26 pursuant to this chapter, regardless of how much time has passed, if the individual was  
335.27 disqualified for a crime or conduct listed in section 245J.13, subdivision 1.

335.28 **Sec. 54. [245J.23] CONSOLIDATED RECONSIDERATION OF MALTREATMENT**  
335.29 **DETERMINATION AND DISQUALIFICATION.**

335.30 If an individual is disqualified on the basis of a determination of maltreatment under  
335.31 section 626.557 or chapter 260E, which was serious and recurring, and the individual requests  
335.32 reconsideration of the maltreatment determination under section 260E.33 or 626.557,

336.1 subdivision 9d, and also requests reconsideration of the disqualification under section  
336.2 245J.19, the commissioner shall consolidate the reconsideration of the maltreatment  
336.3 determination and the disqualification into a single reconsideration.

336.4 Sec. 55. **[245J.24] FAIR HEARING RIGHTS.**

336.5 Subdivision 1. **Fair hearing following a reconsideration decision.** (a) An individual  
336.6 who is disqualified on the basis of a preponderance of evidence that the individual committed  
336.7 an act or acts that meet the definition of any of the crimes listed in section 245J.13; for a  
336.8 determination under section 626.557 or chapter 260E of substantiated maltreatment that  
336.9 was serious or recurring under section 245J.13; or for failure to make required reports under  
336.10 section 260E.06, subdivision 1 or 2; 260E.11, subdivision 1; or 626.557, subdivision 3,  
336.11 pursuant to section 245J.13, subdivision 4, paragraph (b), clause (1), may request a fair  
336.12 hearing under section 256.045, following a reconsideration decision issued under section  
336.13 245J.21, unless the disqualification is deemed conclusive under section 245J.26.

336.14 (b) The fair hearing is the only administrative appeal of the final agency determination  
336.15 for purposes of appeal by the disqualified individual. The disqualified individual does not  
336.16 have the right to challenge the accuracy and completeness of data under section 13.04.

336.17 (c) Except as provided under paragraph (e), if the individual was disqualified based on  
336.18 a conviction of, admission to, or Alford Plea to any crimes or conduct listed in section  
336.19 245J.13, subdivisions 1 to 4, or for a disqualification under section 256.98, subdivision 8,  
336.20 the reconsideration decision under section 245J.20 is the final agency determination for  
336.21 purposes of appeal by the disqualified individual and is not subject to a hearing under section  
336.22 256.045. If the individual was disqualified based on a judicial determination, that  
336.23 determination is treated the same as a conviction for purposes of appeal.

336.24 (d) This subdivision does not apply to a public employee's appeal of a disqualification  
336.25 under section 245J.25, subdivision 3.

336.26 (e) Notwithstanding paragraph (c), if the commissioner does not set aside a  
336.27 disqualification of an individual who was disqualified based on both a preponderance of  
336.28 evidence and a conviction or admission, the individual may request a fair hearing under  
336.29 section 256.045, unless the disqualifications are deemed conclusive under section 245J.26.  
336.30 The scope of the hearing conducted under section 256.045 with regard to the disqualification  
336.31 based on a conviction or admission shall be limited solely to whether the individual poses  
336.32 a risk of harm, according to section 256.045, subdivision 3b. In this case, the reconsideration  
336.33 decision under section 245J.20 is not the final agency decision for purposes of appeal by  
336.34 the disqualified individual.



337.1 Subd. 2. **Consolidated fair hearing following a reconsideration decision.** (a) If an  
337.2 individual who is disqualified on the bases of serious or recurring maltreatment requests a  
337.3 fair hearing on the maltreatment determination under section 260E.33 or 626.557, subdivision  
337.4 9d, and requests a fair hearing under this section on the disqualification following a  
337.5 reconsideration decision under section 245J.21, the scope of the fair hearing under section  
337.6 256.045 shall include the maltreatment determination and the disqualification.

337.7 (b) A fair hearing is the only administrative appeal of the final agency determination.  
337.8 The disqualified individual does not have the right to challenge the accuracy and  
337.9 completeness of data under section 13.04.

337.10 (c) This subdivision does not apply to a public employee's appeal of a disqualification  
337.11 under section 245J.25, subdivision 3.

337.12 **Sec. 56. [245J.25] CONTESTED CASE HEARING RIGHTS.**

337.13 Subdivision 1. **License holder.** (a) If a maltreatment determination or a disqualification  
337.14 for which reconsideration was timely requested and which was not set aside is the basis for  
337.15 a denial of a license under section 245A.05 or a licensing sanction under section 245A.07,  
337.16 the license holder has the right to a contested case hearing under chapter 14 and Minnesota  
337.17 Rules, parts 1400.8505 to 1400.8612. The license holder must submit the appeal under  
337.18 section 245A.05 or 245A.07, subdivision 3.

337.19 (b) As provided under section 245A.08, subdivision 2a, if the denial of a license or  
337.20 licensing sanction is based on a disqualification for which reconsideration was timely  
337.21 requested and was not set aside, the scope of the consolidated contested case hearing must  
337.22 include:

337.23 (1) the disqualification, to the extent the license holder otherwise has a hearing right on  
337.24 the disqualification under this chapter; and

337.25 (2) the licensing sanction or denial of a license.

337.26 (c) As provided for under section 245A.08, subdivision 2a, if the denial of a license or  
337.27 licensing sanction is based on a determination of maltreatment under section 626.557 or  
337.28 chapter 260E, or a disqualification for serious or recurring maltreatment which was not set  
337.29 aside, the scope of the contested case hearing must include:

337.30 (1) the maltreatment determination, if the maltreatment is not conclusive under section  
337.31 245J.26;

338.1 (2) the disqualification, if the disqualification is not conclusive under section 245J.26;  
338.2 and

338.3 (3) the licensing sanction or denial of a license. In such cases, a fair hearing must not  
338.4 be conducted under section 256.045. If the disqualification was based on a determination  
338.5 of substantiated serious or recurring maltreatment under section 626.557 or chapter 260E,  
338.6 the appeal must be submitted under section 245A.07, subdivision 3, 260E.33, or 626.557,  
338.7 subdivision 9d.

338.8 (d) Except for family child care and child foster care, reconsideration of a maltreatment  
338.9 determination under sections 260E.33 and 626.557, subdivision 9d, and reconsideration of  
338.10 a disqualification under section 245J.20, must not be conducted when:

338.11 (1) a denial of a license under section 245A.05, or a licensing sanction under section  
338.12 245A.07, is based on a determination that the license holder is responsible for maltreatment  
338.13 or the disqualification of a license holder based on serious or recurring maltreatment;

338.14 (2) the denial of a license or licensing sanction is issued at the same time as the  
338.15 maltreatment determination or disqualification; and

338.16 (3) the license holder appeals the maltreatment determination, disqualification, and  
338.17 denial of a license or licensing sanction. In such cases a fair hearing under section 256.045  
338.18 must not be conducted under sections 245J.24, 260E.33, and 626.557, subdivision 9d. Under  
338.19 section 245A.08, subdivision 2a, the scope of the consolidated contested case hearing must  
338.20 include the maltreatment determination, disqualification, and denial of a license or licensing  
338.21 sanction.

338.22 Notwithstanding clauses (1) to (3), if the license holder appeals the maltreatment  
338.23 determination or disqualification, but does not appeal the denial of a license or a licensing  
338.24 sanction, reconsideration of the maltreatment determination shall be conducted under sections  
338.25 260E.33 and 626.557, subdivision 9d, and reconsideration of the disqualification shall be  
338.26 conducted under section 245J.20. In such cases, a fair hearing shall also be conducted as  
338.27 provided under sections 245J.24, 260E.33, and 626.557, subdivision 9d.

338.28 Subd. 2. **Individual other than license holder.** If the basis for the commissioner's denial  
338.29 of a license under section 245A.05 or a licensing sanction under section 245A.07 is a  
338.30 maltreatment determination or disqualification that was not set aside under section 245J.20,  
338.31 and the disqualified subject is an individual other than the license holder and upon whom  
338.32 a background study must be conducted under this chapter, the hearing of all parties may be  
338.33 consolidated into a single contested case hearing upon consent of all parties and the  
338.34 administrative law judge.

339.1 Subd. 3. **Employees of public employer.** (a) A disqualified individual who is an  
339.2 employee of an employer, as defined in section 179A.03, subdivision 15, may request a  
339.3 contested case hearing under chapter 14, and specifically Minnesota Rules, parts 1400.8505  
339.4 to 1400.8612, following a reconsideration decision under section 245J.21, unless the  
339.5 disqualification is deemed conclusive under section 245J.26. The request for a contested  
339.6 case hearing must be made in writing and must be postmarked and sent within 30 calendar  
339.7 days after the employee receives notice of the reconsideration decision. If the individual  
339.8 was disqualified based on a conviction or admission to any crimes listed in section 245J.13,  
339.9 the scope of the contested case hearing shall be limited solely to whether the individual  
339.10 poses a risk of harm pursuant to section 245J.20.

339.11 (b) When an individual is disqualified based on a maltreatment determination, the scope  
339.12 of the contested case hearing under paragraph (a), must include the maltreatment  
339.13 determination and the disqualification. In such cases, a fair hearing must not be conducted  
339.14 under section 256.045.

339.15 (c) Rules adopted under this chapter may not preclude an employee in a contested case  
339.16 hearing for a disqualification from submitting evidence concerning information gathered  
339.17 under this chapter.

339.18 (d) When an individual has been disqualified from multiple licensed programs, if at least  
339.19 one of the disqualifications entitles the person to a contested case hearing under this  
339.20 subdivision, the scope of the contested case hearing shall include all disqualifications from  
339.21 licensed programs.

339.22 (e) In determining whether the disqualification should be set aside, the administrative  
339.23 law judge shall consider all of the characteristics that cause the individual to be disqualified,  
339.24 as well as all the factors set forth in section 245J.20, in order to determine whether the  
339.25 individual has met the burden of demonstrating that the individual does not pose a risk of  
339.26 harm. The administrative law judge's recommendation and the commissioner's order to set  
339.27 aside a disqualification that is the subject of the hearing constitutes a determination that the  
339.28 individual does not pose a risk of harm and that the individual may provide direct contact  
339.29 services in the individual program specified in the set aside.

339.30 (f) An individual may not request a contested case hearing under this section if a contested  
339.31 case hearing has previously been held regarding the individual's disqualification on the same  
339.32 basis.

339.33 Subd. 4. **Final agency order.** The commissioner's final order under section 245A.08,  
339.34 subdivision 5, is conclusive on the issue of maltreatment and disqualification, including for

340.1 purposes of subsequent background studies. The contested case hearing under this section  
340.2 is the only administrative appeal of the final agency determination, specifically, including  
340.3 a challenge to the accuracy and completeness of data under section 13.04.

340.4 Sec. 57. **[245J.26] CONCLUSIVE DETERMINATIONS OR DISPOSITIONS.**

340.5 Subdivision 1. **Conclusive maltreatment determination or disposition.** Unless  
340.6 otherwise specified in statute, a maltreatment determination or disposition under section  
340.7 626.557 or chapter 260E is conclusive, if:

340.8 (1) the commissioner has issued a final order in an appeal of that determination or  
340.9 disposition under section 245A.08, subdivision 5, or 256.045;

340.10 (2) the individual did not request reconsideration of the maltreatment determination or  
340.11 disposition under section 626.557 or chapter 260E; or

340.12 (3) the individual did not request a hearing of the maltreatment determination or  
340.13 disposition under section 256.045.

340.14 Subd. 2. **Conclusive disqualification determination.** (a) A disqualification is conclusive  
340.15 for purposes of current and future background studies if:

340.16 (1) the commissioner has issued a final order in an appeal of the disqualification under  
340.17 section 245A.08, subdivision 5; 245J.25, subdivision 3; or 256.045, or a court has issued a  
340.18 final decision;

340.19 (2) the individual did not request reconsideration of the disqualification under section  
340.20 245J.19 on the basis that the information relied upon to disqualify the individual was  
340.21 incorrect; or

340.22 (3) the individual did not timely request a hearing on the disqualification under this  
340.23 chapter, chapter 14, or section 256.045 after previously being given the right to do so.

340.24 (b) If a disqualification is conclusive under this section, the individual has a right to  
340.25 request reconsideration on the risk of harm under section 245J.19 unless the commissioner  
340.26 is barred from setting aside the disqualification under section 245J.22. The commissioner's  
340.27 decision regarding the risk of harm shall be the final agency decision and is not subject to  
340.28 a hearing under this chapter, chapter 14, or section 256.045.

340.29 Sec. 58. **[245J.27] VARIANCE FOR A DISQUALIFIED INDIVIDUAL.**

340.30 Subdivision 1. **Entity variance.** (a) Except for any disqualification under section 245J.11,  
340.31 subdivision 1, when the commissioner has not set aside a background study subject's

341.1 disqualification, and there are conditions under which the disqualified individual may provide  
341.2 direct contact services or have access to people receiving services that minimize the risk of  
341.3 harm to people receiving services, the commissioner may grant a time-limited variance to  
341.4 an entity.

341.5 (b) The variance shall state the services that may be provided by the disqualified  
341.6 individual and state the conditions with which the entity must comply for the variance to  
341.7 remain in effect. The variance shall not state the reason for the disqualification.

341.8 Subd. 2. **Consequences for failing to comply with conditions of variance.** When an  
341.9 entity permits a disqualified individual to provide any services for which the subject is  
341.10 disqualified without complying with the conditions of the variance, the commissioner may  
341.11 terminate the variance effective immediately and subject the entity or license holder to a  
341.12 licensing action under sections 245A.06 and 245A.07.

341.13 Subd. 3. **Termination of a variance.** The commissioner may terminate a variance for  
341.14 a disqualified individual at any time for cause.

341.15 Subd. 4. **Final decision.** The commissioner's decision to grant or deny a variance is final  
341.16 and not subject to appeal under the provisions of chapter 14.

341.17 Sec. 59. **[245J.28] INDIVIDUAL REGULATED BY A HEALTH-RELATED**  
341.18 **LICENSING BOARD; DISQUALIFICATION BASED ON MALTREATMENT.**

341.19 (a) The commissioner has the authority to monitor the facility's compliance with any  
341.20 requirements that the health-related licensing board places on regulated individuals practicing  
341.21 in a facility either during the period pending a final decision on a disciplinary or corrective  
341.22 action or as a result of a disciplinary or corrective action. The commissioner has the authority  
341.23 to order the immediate removal of a regulated individual from direct contact or access when  
341.24 a board issues an order of temporary suspension based on a determination that the regulated  
341.25 individual poses an immediate risk of harm to persons receiving services in a licensed  
341.26 facility.

341.27 (b) A facility that allows a regulated individual to provide direct contact services while  
341.28 not complying with the requirements imposed by the health-related licensing board is subject  
341.29 to action by the commissioner as specified under sections 245A.06 and 245A.07.

341.30 (c) The commissioner shall notify a health-related licensing board immediately upon  
341.31 receipt of knowledge of a facility's or individual's noncompliance with requirements the  
341.32 board placed on a facility or upon an individual regulated by the board.

342.1 Sec. 60. **[245J.29] SYSTEMS AND RECORDS.**

342.2 **Subdivision 1. Establishment.** The commissioner may establish systems and records  
342.3 to fulfill the requirements of this chapter.

342.4 **Subd. 2. NETStudy 2.0 system.** (a) The NETStudy 2.0 system developed and  
342.5 implemented by the commissioner shall incorporate and meet all applicable data security  
342.6 standards and policies required by the Federal Bureau of Investigation (FBI), Department  
342.7 of Public Safety, Bureau of Criminal Apprehension, and Department of Information  
342.8 Technology Services. The system shall meet all required standards for encryption of data  
342.9 at the database level as well as encryption of data that travels electronically among agencies  
342.10 initiating background studies, the commissioner's authorized fingerprint collection vendor  
342.11 or vendors, the commissioner, the Bureau of Criminal Apprehension, and in cases involving  
342.12 national criminal record checks, the FBI.

342.13 (b) The data system developed and implemented by the commissioner shall incorporate  
342.14 a system of data security that allows the commissioner to control access to the data field  
342.15 level by the commissioner's employees. The commissioner shall establish that employees  
342.16 have access to the minimum amount of private data on any individual as is necessary to  
342.17 perform their duties under this chapter.

342.18 (c) The commissioner shall oversee regular quality and compliance audits of the  
342.19 authorized fingerprint collection vendor or vendors.

342.20 **Subd. 3. Use.** The commissioner may also use these systems and records to obtain and  
342.21 provide criminal history data from the Bureau of Criminal Apprehension, criminal history  
342.22 data held by the commissioner, and data about substantiated maltreatment under section  
342.23 626.557 or chapter 260E, for other purposes, provided that the background study is  
342.24 specifically authorized in statute.

342.25 **Subd. 4. National records search.** (a) When specifically required by statute, the  
342.26 commissioner shall also obtain criminal history data from the National Criminal Records  
342.27 Repository.

342.28 (b) To obtain criminal history data from the National Criminal Records Repository, the  
342.29 commissioner shall require classifiable fingerprints of the data subject and must submit  
342.30 these fingerprint requests through the Bureau of Criminal Apprehension.

342.31 (c) The commissioner may require the background study subject to submit fingerprint  
342.32 images electronically. The commissioner may not require electronic fingerprint images until  
342.33 the electronic recording and transfer system is available for noncriminal justice purposes

343.1 and the necessary equipment is in use in the law enforcement agency in the background  
343.2 study subject's local community.

343.3 (d) The commissioner may recover the cost of obtaining and providing criminal history  
343.4 data from the National Criminal Records Repository by charging the individual or entity  
343.5 requesting the study a fee of no more than \$30 per study. The fees collected under this  
343.6 subdivision are appropriated to the commissioner for the purpose of obtaining criminal  
343.7 history data from the National Criminal Records Repository.

343.8 Sec. 61. **REPEALER.**

343.9 (a) Minnesota Statutes 2022, sections 245C.02, subdivision 14b; 245C.032; and 245C.30,  
343.10 subdivision 1a, are repealed.

343.11 (b) Minnesota Statutes 2022, section 245C.11, subdivision 3, is repealed.

343.12 **EFFECTIVE DATE.** Paragraph (a) is effective August 1, 2023, and paragraph (b) is  
343.13 effective April 28, 2025.

343.14 **ARTICLE 8**  
343.15 **LICENSING**

343.16 Section 1. Minnesota Statutes 2022, section 245.095, is amended to read:

343.17 **245.095 LIMITS ON RECEIVING PUBLIC FUNDS.**

343.18 Subdivision 1. **Prohibition.** (a) If a provider, vendor, or individual enrolled, licensed,  
343.19 receiving funds under a grant contract, or registered in any program administered by the  
343.20 commissioner, including under the commissioner's powers and authorities in section 256.01,  
343.21 is excluded from that program, the commissioner shall:

343.22 (1) prohibit the excluded provider, vendor, or individual from enrolling, becoming  
343.23 licensed, receiving grant funds, or registering in any other program administered by the  
343.24 commissioner; and

343.25 (2) disenroll, revoke or suspend a license, disqualify, or debar the excluded provider,  
343.26 vendor, or individual in any other program administered by the commissioner.

343.27 (b) If a provider, vendor, or individual enrolled, licensed, receiving funds under a grant  
343.28 contract, or registered in any program administered by the commissioner, including under  
343.29 the commissioner's powers and authorities in section 256.01, is excluded from that program,  
343.30 the commissioner may:

344.1 (1) prohibit any associated entities or associated individuals from enrolling, becoming  
 344.2 licensed, receiving grant funds, or registering in any other program administered by the  
 344.3 commissioner; and

344.4 (2) disenroll, revoke or suspend a license of, disqualify, or debar any associated entities  
 344.5 or associated individuals in any other program administered by the commissioner.

344.6 (c) If a provider, vendor, or individual enrolled, licensed, or otherwise receiving funds  
 344.7 under any contract or registered in any program administered by a Minnesota state or federal  
 344.8 agency is excluded from that program, the commissioner of human services may:

344.9 (1) prohibit the excluded provider, vendor, individual, or any associated entities or  
 344.10 associated individuals from enrolling, becoming licensed, receiving grant funds, or registering  
 344.11 in any program administered by the commissioner; and

344.12 (2) disenroll, revoke or suspend a license of, disqualify, or debar the excluded provider,  
 344.13 vendor, individual, or any associated entities or associated individuals in any program  
 344.14 administered by the commissioner.

344.15 ~~(b)~~ (d) The duration of this a prohibition, disenrollment, revocation, suspension,  
 344.16 disqualification, or debarment under paragraph (a) must last for the longest applicable  
 344.17 sanction or disqualifying period in effect for the provider, vendor, or individual permitted  
 344.18 by state or federal law. The duration of a prohibition, disenrollment, revocation, suspension,  
 344.19 disqualification, or debarment under paragraphs (b) and (c) may last until up to the longest  
 344.20 applicable sanction or disqualifying period in effect for the provider, vendor, individual,  
 344.21 associated entity, or associated individual as permitted by state or federal law.

344.22 Subd. 2. **Definitions.** (a) For purposes of this section, the following definitions have the  
 344.23 meanings given them.

344.24 (b) "Associated entity" means a provider or vendor owned or controlled by an excluded  
 344.25 individual.

344.26 (c) "Associated individual" means an individual who owns or is an executive officer or  
 344.27 board member of an excluded provider or vendor.

344.28 ~~(b)~~ (d) "Excluded" means disenrolled, disqualified, having a license that has been revoked  
 344.29 or suspended under chapter 245A, or debarred or suspended under Minnesota Rules, part  
 344.30 1230.1150, or excluded pursuant to section 256B.064, subdivision 3 removed under other  
 344.31 authorities from a program administered by a Minnesota state or federal agency, including  
 344.32 a final determination to stop payments.



345.1 ~~(e)~~ (e) "Individual" means a natural person providing products or services as a provider  
 345.2 or vendor.

345.3 ~~(d)~~ (f) "Provider" ~~includes any entity or individual receiving payment from a program~~  
 345.4 ~~administered by the Department of Human Services, and an owner, controlling individual,~~  
 345.5 ~~license holder, director, or managerial official of an entity receiving payment from a program~~  
 345.6 ~~administered by the Department of Human Services~~ means any entity, individual, owner,  
 345.7 controlling individual, license holder, director, or managerial official of an entity receiving  
 345.8 payment from a program administered by a Minnesota state or federal agency.

345.9 Subd. 3. **Notice.** Within five days of taking an action under subdivision (1), paragraph  
 345.10 (a), (b), or (c), against a provider, vendor, individual, associated individual, or associated  
 345.11 entity, the commissioner must send notice of the action to the provider, vendor, individual,  
 345.12 associated individual, or associated entity. The notice must state:

345.13 (1) the basis for the action;

345.14 (2) the effective date of the action;

345.15 (3) the right to appeal the action; and

345.16 (4) the requirements and procedures for reinstatement.

345.17 Subd. 4. **Appeal.** Upon receipt of a notice under subdivision 3, a provider, vendor,  
 345.18 individual, associated individual, or associated entity may request a contested case hearing,  
 345.19 as defined in section 14.02, subdivision 3, by filing with the commissioner a written request  
 345.20 of appeal. The scope of any contested case hearing is solely limited to action taken under  
 345.21 this section. The commissioner must receive the appeal request no later than 30 days after  
 345.22 the date the notice was mailed to the provider, vendor, individual, associated individual, or  
 345.23 associated entity. The appeal request must specify:

345.24 (1) each disputed item and the reason for the dispute;

345.25 (2) the authority in statute or rule upon which the provider, vendor, individual, associated  
 345.26 individual, or associated entity relies for each disputed item;

345.27 (3) the name and address of the person or entity with whom contacts may be made  
 345.28 regarding the appeal; and

345.29 (4) any other information required by the commissioner.

345.30 Subd. 5. **Withholding of payments.** (a) Except as otherwise provided by state or federal  
 345.31 law, the commissioner may withhold payments to a provider, vendor, individual, associated  
 345.32 individual, or associated entity in any program administered by the commissioner, if the

346.1 commissioner determines there is a credible allegation of fraud for which an investigation  
346.2 is pending for a program administered by a Minnesota state or federal agency.

346.3 (b) For purposes of this subdivision, "credible allegation of fraud" means an allegation  
346.4 that has been verified by the commissioner from any source, including but not limited to:

346.5 (1) fraud hotline complaints;

346.6 (2) claims data mining;

346.7 (3) patterns identified through provider audits, civil false claims cases, and law  
346.8 enforcement investigations; and

346.9 (4) court filings and other legal documents, including but not limited to police reports,  
346.10 complaints, indictments, informations, affidavits, declarations, and search warrants.

346.11 (c) The commissioner must send notice of the withholding of payments within five days  
346.12 of taking such action. The notice must:

346.13 (1) state that payments are being withheld according to this subdivision;

346.14 (2) set forth the general allegations related to the withholding action, except the notice  
346.15 need not disclose specific information concerning an ongoing investigation;

346.16 (3) state that the withholding is for a temporary period and cite the circumstances under  
346.17 which the withholding will be terminated; and

346.18 (4) inform the provider, vendor, individual, associated individual, or associated entity  
346.19 of the right to submit written evidence to contest the withholding action for consideration  
346.20 by the commissioner.

346.21 (d) The commissioner shall stop withholding payments if the commissioner determines  
346.22 there is insufficient evidence of fraud by the provider, vendor, individual, associated  
346.23 individual, or associated entity or when legal proceedings relating to the alleged fraud are  
346.24 completed, unless the commissioner has sent notice under subdivision 3 to the provider,  
346.25 vendor, individual, associated individual, or associated entity.

346.26 (e) The withholding of payments is a temporary action and is not subject to appeal under  
346.27 section 256.045 or chapter 14.

346.28 **Sec. 2. [245.7351] PURPOSE AND ESTABLISHMENT.**

346.29 The certified community behavioral health clinic model is an integrated payment and  
346.30 service delivery model that uses evidence-based behavioral health practices to achieve better

347.1 outcomes for individuals experiencing behavioral health concerns while achieving sustainable  
347.2 rates for providers and economic efficiencies for payors.

347.3 **EFFECTIVE DATE.** This section is effective July 1, 2023, or upon federal approval,  
347.4 whichever is later. The commissioner of human services shall notify the revisor of statutes  
347.5 when federal approval is obtained.

347.6 Sec. 3. **[245.7352] DEFINITIONS.**

347.7 **Subdivision 1. Scope.** The definitions in this section apply to sections 245.7351 to  
347.8 245.7357.

347.9 **Subd. 2. Care coordination.** "Care coordination" means the activities required to  
347.10 coordinate care across settings and providers for the people served to ensure seamless  
347.11 transitions across the full spectrum of health services. Care coordination includes: outreach  
347.12 and engagement; documenting a plan of care for medical, behavioral health, and social  
347.13 services and supports in the integrated treatment plan; assisting with obtaining appointments;  
347.14 confirming appointments are kept; developing a crisis plan; tracking medication; and  
347.15 implementing care coordination agreements with external providers. Care coordination may  
347.16 include psychiatric consultation to primary care practitioners and mental health clinical care  
347.17 consultation.

347.18 **Subd. 3. Certified community behavioral health clinic or CCBHC.** "Certified  
347.19 community behavioral health clinic" or "CCBHC" means a program or provider governed  
347.20 under sections 245.7351 to 245.7357.

347.21 **Subd. 4. Clinical responsibility.** "Clinical responsibility" means ensuring a designated  
347.22 collaborating organization meets all clinical parameters required of the CCBHC.

347.23 **Subd. 5. Commissioner.** "Commissioner" means the commissioner of human services.

347.24 **Subd. 6. Comprehensive evaluation.** "Comprehensive evaluation" means a  
347.25 person-centered, family-centered, trauma-informed evaluation completed for the purposes  
347.26 of diagnosis, treatment planning, and determination of client eligibility for services approved  
347.27 by a mental health professional.

347.28 **Subd. 7. Designated collaborating organization.** "Designated collaborating  
347.29 organization" means an entity with a formal agreement with a CCBHC to furnish CCBHC  
347.30 services.

347.31 **Subd. 8. Designated collaborating organization agreement.** "Designated collaborating  
347.32 organization agreement" means a purchase of services agreement between a CCBHC and

348.1 a designated collaborating organization as evidenced by a contract, memorandum of  
348.2 agreement, memorandum of understanding, or other such formal arrangement that describes  
348.3 specific CCBHC services to be purchased and provided by a designated collaborating  
348.4 organization on behalf of a CCBHC in accordance with federal and state requirements.

348.5 Subd. 9. **Functional assessment.** "Functional assessment" means the assessment of a  
348.6 client's current level of functioning relative to functioning that is appropriate for someone  
348.7 the client's age.

348.8 Subd. 10. **Financial responsibility.** "Financial responsibility" means the responsibility  
348.9 for billing CCBHC services rendered under contract by a designated collaborating  
348.10 organization.

348.11 Subd. 11. **Initial evaluation.** "Initial evaluation" means an evaluation that is designed  
348.12 to gather and document initial components of the comprehensive evaluation, allowing the  
348.13 assessor to formulate a preliminary diagnosis and the client to begin services.

348.14 Subd. 12. **Initial evaluation equivalents.** "Initial evaluation equivalents" means using  
348.15 a process that is approved by the commissioner as an alternative to the initial evaluation.

348.16 Subd. 13. **Integrated treatment plan.** "Integrated treatment plan" means a documented  
348.17 plan of care that is person- and family-centered and formulated to respond to a client's needs  
348.18 and goals. The integrated treatment plan must integrate prevention, medical needs, and  
348.19 behavioral health needs and service delivery. The CCBHC must develop the integrated  
348.20 treatment plan in collaboration with and receive endorsement from the client, the adult  
348.21 client's family to the extent the client wishes and a child or youth client's family or caregivers,  
348.22 and coordinate with staff or programs necessary to carry out the plan.

348.23 Subd. 14. **Outpatient withdrawal management.** "Outpatient withdrawal management"  
348.24 means a time-limited service delivered in an office setting, an outpatient behavioral health  
348.25 clinic, or a person's home by staff providing medically supervised evaluation and  
348.26 detoxification services to achieve safe and comfortable withdrawal from substances and  
348.27 facilitate transition into ongoing treatment and recovery. Outpatient withdrawal management  
348.28 services include assessment, withdrawal management, planning, medication prescribing  
348.29 and management, trained observation of withdrawal symptoms, and supportive services.

348.30 Subd. 15. **Preliminary screening and risk assessment.** "Preliminary screening and risk  
348.31 assessment" means a screening and risk assessment that is completed at the first contact  
348.32 with the prospective CCBHC service recipient and determines the acuity of recipient need.

349.1 Subd. 16. **Preliminary treatment plan.** "Preliminary treatment plan" means an initial  
349.2 plan of care that is written as a part of all initial evaluations, initial evaluation equivalents,  
349.3 or comprehensive evaluations.

349.4 Subd. 17. **Needs assessment.** "Needs assessment" means a systematic approach to  
349.5 identifying community needs and determining program capacity to address the needs of the  
349.6 population being served.

349.7 Subd. 18. **State-sanctioned crisis services.** "State-sanctioned crisis services" means  
349.8 adult and children's crisis response services conducted by an entity enrolled to provide crisis  
349.9 services under section 256B.0624.

349.10 **EFFECTIVE DATE.** This section is effective July 1, 2023, or upon federal approval,  
349.11 whichever is later. The commissioner of human services shall notify the revisor of statutes  
349.12 when federal approval is obtained.

349.13 Sec. 4. **[245.7353] APPLICABILITY.**

349.14 Subdivision 1. **Certification process.** (a) The commissioner must establish state  
349.15 certification and recertification processes for certified community behavioral health clinics  
349.16 that satisfy all federal and state requirements necessary for CCBHCs certified under sections  
349.17 245.7351 to 245.7357 to be eligible for reimbursement under medical assistance, without  
349.18 service area limits based on geographic area or region. The commissioner must consult with  
349.19 CCBHC stakeholders before establishing and implementing changes in the certification or  
349.20 recertification process and requirements.

349.21 (b) The commissioner shall recertify a CCBHC provider entity every 36 months using  
349.22 the provider entity's certification anniversary or December 31. The commissioner may  
349.23 approve a recertification extension in the interest of sustaining services when a specific date  
349.24 for recertification is identified.

349.25 (c) The commissioner shall establish a process for decertification of a CCBHC provider  
349.26 entity and shall require corrective action, medical assistance repayment, or decertification  
349.27 of a provider entity that no longer meets the requirements in sections 245.7351 to 245.7357  
349.28 or that fails to meet the clinical quality standards or administrative standards provided by  
349.29 the commissioner in the application and certification processes.

349.30 (d) The commissioner shall provide the following to CCBHC provider entities for the  
349.31 certification, recertification, and decertification processes:

349.32 (1) a structured listing of required provider entity certification criteria;

350.1 (2) a formal written letter with a determination of certification, recertification, or  
350.2 decertification, signed by the commissioner or the appropriate division director; and

350.3 (3) a formal written communication outlining the process for necessary corrective action  
350.4 and follow-up by the commissioner, if applicable, signed by the commissioner or the  
350.5 appropriate division director.

350.6 **Subd. 2. Certifications and licensures required.** In addition to all other requirements  
350.7 contained in sections 245.7351 to 245.7357, a CCBHC must:

350.8 (1) comply with the standards issued by the commissioner relating to CCBHC screenings,  
350.9 assessments, and evaluations;

350.10 (2) be certified as a mental health clinic under section 245I.20;

350.11 (3) be licensed to provide substance use disorder treatment under chapter 245G;

350.12 (4) be certified to provide children's therapeutic services and supports under section  
350.13 256B.0943;

350.14 (5) be certified to provide adult rehabilitative mental health services under section  
350.15 256B.0623;

350.16 (6) be enrolled to provide mental health crisis response services under section 256B.0624;

350.17 (7) be enrolled to provide mental health targeted case management under section  
350.18 256B.0625, subdivision 20;

350.19 (8) comply with standards relating to mental health case management in Minnesota  
350.20 Rules, parts 9520.0900 to 9520.0926;

350.21 (9) comply with standards relating to peer services under sections 256B.0615, 256B.0616,  
350.22 and 245G.07, subdivision 2, clause (8), as applicable when peer services are provided; and

350.23 (10) directly employ, or through a formal arrangement utilize, a medically trained  
350.24 behavioral health care provider with independent authority under state law to prescribe and  
350.25 manage medications, including buprenorphine and other medications used to treat opioid  
350.26 and alcohol use disorders.

350.27 **Subd. 3. Variance authority.** When the standards listed in sections 245.7351 to 245.7357  
350.28 or other applicable standards conflict or address similar issues in duplicative or incompatible  
350.29 ways, the commissioner may grant variances to state requirements if the variances do not  
350.30 conflict with federal requirements for services reimbursed under medical assistance. If  
350.31 standards overlap, the commissioner may substitute all or a part of a licensure or certification  
350.32 that is substantially the same as another licensure or certification. The commissioner must

351.1 consult with stakeholders as described in subdivision 1 before granting variances under this  
351.2 subdivision. For the CCBHC that is certified but not approved for prospective payment  
351.3 under section 256B.0625, subdivision 5m, the commissioner may grant a variance under  
351.4 this paragraph if the variance does not increase the state share of costs.

351.5 **Subd. 4. Notice and opportunity for correction.** If the commissioner finds that a  
351.6 prospective or certified CCBHC has failed to comply with an applicable law or rule and  
351.7 this failure does not imminently endanger health, safety, or rights of the persons served by  
351.8 the program, the commissioner may issue a notice ordering a correction. The notice ordering  
351.9 a correction must state the following in plain language:

351.10 (1) the conditions that constitute a violation of the law or rule;

351.11 (2) the specific law or rule violated; and

351.12 (3) the time allowed to correct each violation.

351.13 **Subd. 5. County letter of support.** A clinic that meets certification requirements for a  
351.14 CCBHC under sections 245.7351 to 245.7357 is not subject to any state law or rule that  
351.15 requires a county contract or other form of county approval as a condition for licensure or  
351.16 enrollment as a medical assistance provider. The commissioner must require evidence from  
351.17 the CCBHC that it has an ongoing relationship with the county or counties it serves to  
351.18 facilitate access and continuity of care, especially for individuals who are uninsured or who  
351.19 may go on and off medical assistance.

351.20 **Subd. 6. Decertification, denial of certification, or recertification request.** (a) The  
351.21 commissioner must establish a process for decertification and must require corrective action,  
351.22 medical assistance repayment, or decertification of a CCBHC that no longer meets the  
351.23 requirements in this section.

351.24 (b) The commissioner must provide the following to providers for the certification,  
351.25 recertification, and decertification process:

351.26 (1) a structured listing of required provider certification criteria;

351.27 (2) a formal written letter with a determination of certification, recertification, or  
351.28 decertification, signed by the commissioner or the appropriate division director; and

351.29 (3) a formal written communication outlining the process for necessary corrective action  
351.30 and follow-up by the commissioner if applicable.

352.1 **EFFECTIVE DATE.** This section is effective July 1, 2023, or upon federal approval,  
352.2 whichever is later. The commissioner of human services shall notify the revisor of statutes  
352.3 when federal approval is obtained.

352.4 Sec. 5. **[245.7354] MINIMUM STAFFING STANDARDS.**

352.5 (a) A CCBHC must meet minimum staffing requirements as identified in the certification  
352.6 process.

352.7 (b) A CCBHC must employ or contract for clinic staff who have backgrounds in diverse  
352.8 disciplines, including licensed mental health professionals, licensed alcohol and drug  
352.9 counselors, staff who are culturally and linguistically trained to meet the needs of the  
352.10 population the clinic serves, and staff who are trained to make accommodations to meet the  
352.11 needs of clients with disabilities.

352.12 **EFFECTIVE DATE.** This section is effective July 1, 2023, or upon federal approval,  
352.13 whichever is later. The commissioner of human services shall notify the revisor of statutes  
352.14 when federal approval is obtained.

352.15 Sec. 6. **[245.7355] REQUIRED SERVICES.**

352.16 Subdivision 1. **Generally.** CCBHCs must provide nine core services identified in  
352.17 subdivisions 2 and 3.

352.18 Subd. 2. **Required services to be provided directly.** Unless otherwise specified in  
352.19 sections 245.7351 to 245.7357 and approved by the commissioner, a CCBHC must directly  
352.20 provide the following:

352.21 (1) ambulatory withdrawal management services ASAM level 1.0;

352.22 (2) treatment planning;

352.23 (3) screening, assessment, diagnosis, and risk assessment;

352.24 (4) outpatient mental health treatment; and

352.25 (5) substance use disorder treatment services for both adult and adolescent populations.

352.26 Subd. 3. **Direct or contracted required services.** A CCBHC must provide the following  
352.27 services directly or via formal relationships with designated collaborating organizations:

352.28 (1) targeted case management;

352.29 (2) outpatient primary care screening and monitoring;

352.30 (3) community-based mental health care for veterans;



353.1 (4) peer, family support, and counselor services;

353.2 (5) psychiatric rehabilitation services; and

353.3 (6) crisis services conducted by a state-sanctioned provider.

353.4 Subd. 4. **Care coordination required.** A CCBHC must directly provide coordination  
353.5 of care across settings and providers to ensure seamless transitions for individuals being  
353.6 served across the full spectrum of health services, including acute, chronic, and behavioral  
353.7 needs.

353.8 Subd. 5. **Outreach and engagement required.** A CCBHC must provide outreach and  
353.9 engagement services to the community, including promoting accessibility and culturally  
353.10 and linguistically competent care, educating prospective CCBHC recipients about available  
353.11 services, and connecting prospective CCBHC recipients with needed services.

353.12 Subd. 6. **Initial evaluation; required elements.** (a) An initial evaluation must be  
353.13 completed by a mental health professional or clinical trainee and must contain all data  
353.14 elements listed in the commissioner's public clinical guidance.

353.15 (b) The timing of initial evaluation administration must be determined based on results  
353.16 of the preliminary screening and risk assessment. If a client is assessed to be experiencing  
353.17 a crisis-level behavioral health need, care must follow the timelines established in the  
353.18 CCBHC certification criteria published by the Substance Abuse and Mental Health Services  
353.19 Administration and the commissioner's published clinical guidance.

353.20 (c) Initial evaluation equivalents, as defined by the commissioner, may be completed to  
353.21 satisfy the requirement for the initial evaluation under this subdivision.

353.22 (d) The initial evaluation must include the following components:

353.23 (e) For programs governed by sections 245.7351 to 245.7357, the CCBHC initial  
353.24 evaluation requirements in this subdivision satisfy the requirements for:

353.25 (1) a brief diagnostic assessment under section 245I.10, subdivision 5;

353.26 (2) an individual family assessment summary under section 245.4881, subdivisions 3  
353.27 and 4;

353.28 (3) an individual assessment summary under section 245.4711, subdivisions 3 and 4;

353.29 (4) a diagnostic assessment under Minnesota Rules, part 9520.0909, subpart 1;

353.30 (5) a local agency determination based on a diagnostic assessment under Minnesota  
353.31 Rules, part 9520.0910, subpart 1;

354.1 (6) an individual family community support plan and an individual community support  
354.2 plan under Minnesota Rules, part 9520.0914, subpart 2, items A and B;

354.3 (7) an individual family community support plan under Minnesota Rules, part 9520.0918,  
354.4 subparts 1 and 2; and

354.5 (8) an individual community support plan under Minnesota Rules, part 9520.0919,  
354.6 subparts 1 and 2.

354.7 **Subd. 7. Comprehensive evaluation; required elements.** (a) All new CCBHC clients  
354.8 must receive a comprehensive person-centered and family-centered diagnostic and treatment  
354.9 planning evaluation to be completed within 60 calendar days following the preliminary  
354.10 screening and risk assessment.

354.11 (b) The comprehensive evaluation must be completed by a mental health professional  
354.12 or clinical trainee and must contain all data elements listed in the commissioner's public  
354.13 clinical guidance.

354.14 (c) When a CCBHC client is engaged in substance use disorder services provided by  
354.15 the CCBHC, the comprehensive evaluation must also be approved by an alcohol and drug  
354.16 counselor.

354.17 (d) A CCBHC comprehensive evaluation completed according to the standards in  
354.18 subdivision 7 replaces the requirements for a comprehensive assessment in chapter 245G,  
354.19 if the comprehensive evaluation includes a diagnosis of a substance use disorder or a finding  
354.20 that the client does not meet the criteria for a substance use disorder.

354.21 (e) A comprehensive evaluation must be updated at least annually for all adult clients  
354.22 who continue to engage in behavioral health services, and:

354.23 (1) when the client's presentation does not appear to align with the current diagnostic  
354.24 formulation; or

354.25 (2) when the client or mental health professional suspect the emergence of a new  
354.26 diagnosis.

354.27 (f) A comprehensive evaluation update must contain the following components:

354.28 (1) a written update detailing all significant new or changed mental health symptoms,  
354.29 as well as a description of how the new or changed symptoms are impacting functioning;

354.30 (2) any diagnostic formulation updates, including rationale for new diagnoses as needed;  
354.31 and

354.32 (3) a rationale for removal of any existing diagnoses, as needed.

355.1 (g) When completing a comprehensive evaluation of a client who is five years of age  
355.2 or younger, the assessor must use the current edition of the DC: 0-5 Diagnostic Classification  
355.3 of Mental Health and Development Disorders of Infancy and Early Childhood published  
355.4 by Zero to Three. The comprehensive evaluation of children age five years and younger:

355.5 (1) must include an initial session without the client present and may include treatment  
355.6 to the parents or guardians along with inquiring about the child;

355.7 (2) may consist of three to five separate encounters;

355.8 (3) must incorporate the level of care assessment;

355.9 (4) must be completed prior to recommending additional CCBHC services; and

355.10 (5) must not contain scoring of the American Society of Addiction Medicine six  
355.11 dimensions.

355.12 (h) For programs governed by sections 245.7351 to 245.7357, the CCBHC comprehensive  
355.13 evaluation requirements in this subdivision satisfy the requirements for:

355.14 (1) a diagnostic assessment or crisis assessment under section 245I.10, subdivision 2,  
355.15 paragraph (a);

355.16 (2) a diagnostic assessment under section 245I.10, subdivisions 4 to 6;

355.17 (3) an initial services plan under section 245G.04, subdivision 1;

355.18 (4) a diagnostic assessment under section 245.4711, subdivision 2;

355.19 (5) a diagnostic assessment under section 245.4881, subdivision 2;

355.20 (6) a diagnostic assessment under Minnesota Rules, part 9520.0910, subpart 1;

355.21 (7) a diagnostic assessment under Minnesota Rules, part 9520.0909, subpart 1; and

355.22 (8) an individual family community support plan and an individual community support  
355.23 plan under Minnesota Rules, part 9520.0914, subpart 2, items A and B.

355.24 Subd. 8. **Integrated treatment plan; required elements.** (a) An integrated treatment  
355.25 plan must be approved by a mental health professional as defined in section 245I.04,  
355.26 subdivision 2.

355.27 (b) An integrated treatment plan must be completed within 60 calendar days following  
355.28 the completion of the preliminary screening and risk assessment.

356.1 (c) An integrated treatment plan must use a person- and family-centered planning process  
356.2 that includes the client, any family or client-identified natural supports, CCBHC service  
356.3 providers, and care coordination staff.

356.4 (d) An integrated treatment plan must be updated at least every six months or earlier  
356.5 based on changes in the client's circumstances.

356.6 (e) When a client is engaged in substance use disorder services at a CCBHC, the  
356.7 integrated treatment plan must also be approved by an alcohol and drug counselor as defined  
356.8 in section 245G.11, subdivision 5.

356.9 (f) The treatment plan must integrate prevention, medical and behavioral health needs,  
356.10 and service delivery and must be developed by the CCBHC in collaboration with and  
356.11 endorsed by the client, the adult client's family to the extent the client wishes, or family or  
356.12 caregivers of youth and children. The treatment plan must also be coordinated with staff or  
356.13 programs necessary to carry out the plan.

356.14 (g) The CCBHC integrated treatment plan requirements in this subdivision replace the  
356.15 requirements for:

356.16 (1) an individual treatment plan under section 245I.10, subdivisions 7 and 8;

356.17 (2) an individual treatment plan under section 245G.06, subdivision 1; and

356.18 (3) an individual treatment plan under section 245G.09, subdivision 3, clause (6).

356.19 (h) The CCBHC functional assessment requirements replace the requirements for:

356.20 (1) a functional assessment under section 256B.0623, subdivision 9;

356.21 (2) a functional assessment under section 245.4711, subdivision 3; and

356.22 (3) functional assessments under Minnesota Rules, part 9520.0914, subpart 2, items A  
356.23 and B.

356.24 Subd. 9. **Licensing and certification requirements.** The requirements for initial  
356.25 evaluations under subdivision 6, comprehensive evaluations under subdivision 7, and  
356.26 integrated treatment plans under subdivision 8 are part of the licensing requirements for  
356.27 substance use disorder treatment programs licensed according to chapter 245G and  
356.28 certification requirements for mental health clinics certified according to section 245I.20 if  
356.29 the program or clinic is part of a CCBHC. The Department of Human Services licensing  
356.30 division will review, inspect, and investigate for compliance with the requirements in  
356.31 subdivisions 6 to 8.

357.1 Sec. 7. **[245.7356] REQUIRED EVIDENCE-BASED SERVICES.**

357.2 Subdivision 1. **Generally.** A CCBHC must use evidence-based practices in all services.  
357.3 Treatments must be provided in a manner appropriate for each client's phase of life and  
357.4 development, specifically considering what is appropriate for children, adolescents,  
357.5 transition-age youth, and older adults, as distinct groups for whom life stage and functioning  
357.6 may affect treatment. Specifically, when treating children and adolescents, a CCHBC must  
357.7 provide evidence-based services that are developmentally appropriate, youth guided, and  
357.8 family and caregiver driven. When treating older adults, an individual client's desires and  
357.9 functioning must be considered, and appropriate evidence-based treatments must be provided.  
357.10 When treating individuals with developmental or other cognitive disabilities, level of  
357.11 functioning must be considered, and appropriate evidence-based treatments must be provided.  
357.12 The treatments referenced in this subdivision must be delivered by staff with specific training  
357.13 in treating the segment of the population being served.

357.14 Subd. 2. **Required evidence-based practices.** A CCBHC must use evidence-based  
357.15 practices, including the use of cognitive behavioral therapy, motivational interviewing,  
357.16 stages of change, and trauma treatment appropriate for populations being served.

357.17 Subd. 3. **Issuance of and amendments to evidence-based practices requirements.** The  
357.18 commissioner must issue a list of required evidence-based practices to be delivered by  
357.19 CCBHCs and may also provide a list of recommended evidence-based practices. The  
357.20 commissioner may update the list to reflect advances in outcomes research and medical  
357.21 services for persons living with mental illnesses or substance use disorders. The commissioner  
357.22 must take into consideration the adequacy of evidence to support the efficacy of the practice,  
357.23 the quality of workforce available, and the current availability of the practice in the state.  
357.24 At least 30 days before issuing the initial list and any revisions, the commissioner must  
357.25 provide stakeholders with an opportunity to comment.

357.26 **EFFECTIVE DATE.** This section is effective July 1, 2023, or upon federal approval,  
357.27 whichever is later. The commissioner of human services shall notify the revisor of statutes  
357.28 when federal approval is obtained.

357.29 Sec. 8. **[245.7357] DESIGNATED COLLABORATING ORGANIZATION.**

357.30 Subdivision 1. **Generally.** A CCBHC must directly provide a core set of services listed  
357.31 in section 245.7355, subdivision 2, and may directly provide or contract for the remainder  
357.32 of the services listed in section 245.7355, subdivision 3, with a designated collaborating  
357.33 organization as defined in section 245.7351, subdivision 10, that has the required authority

358.1 to provide that service and that meets the criteria as a designated collaborating organization  
358.2 under subdivision 2.

358.3 Subd. 2. **Designated collaborating organization requirements.** (a) A CCBHC providing  
358.4 CCBHC services via a designated collaborating organization agreement must:

358.5 (1) have a formal agreement, as defined in section 245.7351, subdivision 11, with the  
358.6 designated collaborating organization to furnish one or more of the allowable services listed  
358.7 under section 245.7355, subdivision 3;

358.8 (2) ensure that CCBHC services provided by a designated collaborating organization  
358.9 must be provided in accordance with CCBHC service standards and provider requirements;

358.10 (3) maintain responsibility for coordinating care and clinical and financial responsibility  
358.11 for the services provided by a designated collaborating organization;

358.12 (4) as applicable and necessary, ensure that a contracted designated collaborating  
358.13 organization participates in CCBHC care coordination activities, including utilizing health  
358.14 information technology to facilitate coordination and care transfers across organizations  
358.15 and arranging access to data necessary for quality and financial operations and reporting;

358.16 (5) ensure beneficiaries receiving CCBHC services at the designated collaborating  
358.17 organization have access to the CCBHC grievance process;

358.18 (6) submit all designated collaborating organization agreements for review and approval  
358.19 by the commissioner prior to the designated collaborating organization furnishing CCBHC  
358.20 services; and

358.21 (7) meet any additional requirements issued by the commissioner.

358.22 (b) Designated collaborating organization agreements must be submitted during the  
358.23 certification process. Adding new designated collaborating organization relationships after  
358.24 initial certification requires updates to the CCBHC certification. A CCBHC must update  
358.25 designated collaborating organization information and the designated collaborating  
358.26 organization agreement with the commissioner a minimum of 30 days prior to the execution  
358.27 of a designated collaborating organization agreement. The commissioner must review and  
358.28 approve or offer recommendations for designated collaborating organization agreement  
358.29 modifications

358.30 (c) Designated collaborating organizations furnishing services under an agreement with  
358.31 CCBHCs must meet all standards established in sections 245.7351 to 245.7357 for the  
358.32 service the designated collaborating organization is providing. CCBHCs maintain

359.1 responsibility for care coordination and are clinically and financially responsible for CCBHC  
359.2 services provided by a designated collaborating organization.

359.3 (d) Designated collaborating organization financial and payment processes must follow  
359.4 those outlined in section 256B.0625, subdivision 5m, paragraph (c), clause (10).

359.5 Subd. 3. **Designated collaborative organization agreements.** Designated collaborative  
359.6 organization agreements must include:

359.7 (1) the scope of CCBHC services to be furnished;

359.8 (2) the payment methodology and rates for purchased services;

359.9 (3) a requirement that the CCBHC maintains financial and clinical responsibility for  
359.10 services provided by the designated collaborating organization;

359.11 (4) a requirement that the CCBHC retains responsibility for care coordination;

359.12 (5) a requirement that the designated collaborating organization must have the necessary  
359.13 certifications, licenses, and enrollments to provide the services;

359.14 (6) a requirement that the staff providing CCBHC services within the designated  
359.15 collaborating organization must have the proper licensure for the services provided;

359.16 (7) a requirement that the designated collaborating organization meets CCBHC cultural  
359.17 competency and training requirements;

359.18 (8) a requirement that the designated collaborating organization must follow all federal,  
359.19 state, and CCBHC requirements for confidentiality and data privacy;

359.20 (9) a requirement that the designated collaborating organization must follow the grievance  
359.21 procedures of the CCBHC;

359.22 (10) a requirement that the designated collaborating organization must follow the CCBHC  
359.23 requirements for person- and family-centered, recovery-oriented care, being respectful of  
359.24 the individual person's needs, preferences, and values, and ensuring involvement by the  
359.25 person being served and self-direction of services received. Services for children and youth  
359.26 must be family-centered, youth-guided, and developmentally appropriate;

359.27 (11) a requirement that clients seeking services must have freedom of choice of providers;

359.28 (12) a requirement that the designated collaborating organization must be part of the  
359.29 CCBHCs health information technology system directly or through data integration;

360.1 (13) a requirement that the designated collaborating organization must provide all clinical  
360.2 and financial data necessary to support CCBHC required service and billing operations;  
360.3 and

360.4 (14) a requirement that the CCBHC and the designated collaborating organization have  
360.5 safeguards in place to ensure that the designated collaborating organization does not receive  
360.6 a duplicate payment for services that are included in the CCBHC's daily bundled rate.

360.7 **EFFECTIVE DATE.** This section is effective July 1, 2023, or upon federal approval,  
360.8 whichever is later. The commissioner of human services shall notify the revisor of statutes  
360.9 when federal approval is obtained.

360.10 Sec. 9. Minnesota Statutes 2022, section 245A.02, subdivision 2c, is amended to read:

360.11 Subd. 2c. **Annual or annually; family child care training requirements.** For the  
360.12 purposes of sections 245A.50 to 245A.53, "annual" or "annually" means ~~the 12-month~~  
360.13 ~~period beginning on the license effective date or the annual anniversary of the effective date~~  
360.14 ~~and ending on the day prior to the annual anniversary of the license effective date~~ each  
360.15 calendar year.

360.16 Sec. 10. Minnesota Statutes 2022, section 245A.04, subdivision 1, is amended to read:

360.17 Subdivision 1. **Application for licensure.** (a) An individual, organization, or government  
360.18 entity that is subject to licensure under section 245A.03 must apply for a license. The  
360.19 application must be made on the forms and in the manner prescribed by the commissioner.  
360.20 The commissioner shall provide the applicant with instruction in completing the application  
360.21 and provide information about the rules and requirements of other state agencies that affect  
360.22 the applicant. An applicant seeking licensure in Minnesota with headquarters outside of  
360.23 Minnesota must have a program office located within 30 miles of the Minnesota border.  
360.24 An applicant who intends to buy or otherwise acquire a program or services licensed under  
360.25 this chapter that is owned by another license holder must apply for a license under this  
360.26 chapter and comply with the application procedures in this section and section 245A.03.

360.27 The commissioner shall act on the application within 90 working days after a complete  
360.28 application and any required reports have been received from other state agencies or  
360.29 departments, counties, municipalities, or other political subdivisions. The commissioner  
360.30 shall not consider an application to be complete until the commissioner receives all of the  
360.31 required information.



361.1 When the commissioner receives an application for initial licensure that is incomplete  
361.2 because the applicant failed to submit required documents or that is substantially deficient  
361.3 because the documents submitted do not meet licensing requirements, the commissioner  
361.4 shall provide the applicant written notice that the application is incomplete or substantially  
361.5 deficient. In the written notice to the applicant the commissioner shall identify documents  
361.6 that are missing or deficient and give the applicant 45 days to resubmit a second application  
361.7 that is substantially complete. An applicant's failure to submit a substantially complete  
361.8 application after receiving notice from the commissioner is a basis for license denial under  
361.9 section 245A.05.

361.10 (b) An application for licensure must identify all controlling individuals as defined in  
361.11 section 245A.02, subdivision 5a, and must designate one individual to be the authorized  
361.12 agent. The application must be signed by the authorized agent and must include the authorized  
361.13 agent's first, middle, and last name; mailing address; and email address. By submitting an  
361.14 application for licensure, the authorized agent consents to electronic communication with  
361.15 the commissioner throughout the application process. The authorized agent must be  
361.16 authorized to accept service on behalf of all of the controlling individuals. A government  
361.17 entity that holds multiple licenses under this chapter may designate one authorized agent  
361.18 for all licenses issued under this chapter or may designate a different authorized agent for  
361.19 each license. Service on the authorized agent is service on all of the controlling individuals.  
361.20 It is not a defense to any action arising under this chapter that service was not made on each  
361.21 controlling individual. The designation of a controlling individual as the authorized agent  
361.22 under this paragraph does not affect the legal responsibility of any other controlling individual  
361.23 under this chapter.

361.24 (c) An applicant or license holder must have a policy that prohibits license holders,  
361.25 employees, subcontractors, and volunteers, when directly responsible for persons served  
361.26 by the program, from abusing prescription medication or being in any manner under the  
361.27 influence of a chemical that impairs the individual's ability to provide services or care. The  
361.28 license holder must train employees, subcontractors, and volunteers about the program's  
361.29 drug and alcohol policy.

361.30 (d) An applicant and license holder must have a program grievance procedure that permits  
361.31 persons served by the program and their authorized representatives to bring a grievance to  
361.32 the highest level of authority in the program.

361.33 (e) The commissioner may limit communication during the application process to the  
361.34 authorized agent or the controlling individuals identified on the license application and for  
361.35 whom a background study was initiated under chapter 245C. Upon implementation of the

362.1 provider licensing and reporting hub, applicants and license holders must use the hub in the  
362.2 manner prescribed by the commissioner. The commissioner may require the applicant,  
362.3 except for child foster care, to demonstrate competence in the applicable licensing  
362.4 requirements by successfully completing a written examination. The commissioner may  
362.5 develop a prescribed written examination format.

362.6 (f) When an applicant is an individual, the applicant must provide:

362.7 (1) the applicant's taxpayer identification numbers including the Social Security number  
362.8 or Minnesota tax identification number, and federal employer identification number if the  
362.9 applicant has employees;

362.10 (2) at the request of the commissioner, a copy of the most recent filing with the secretary  
362.11 of state that includes the complete business name, if any;

362.12 (3) if doing business under a different name, the doing business as (DBA) name, as  
362.13 registered with the secretary of state;

362.14 (4) if applicable, the applicant's National Provider Identifier (NPI) number and Unique  
362.15 Minnesota Provider Identifier (UMPI) number; and

362.16 (5) at the request of the commissioner, the notarized signature of the applicant or  
362.17 authorized agent.

362.18 (g) When an applicant is an organization, the applicant must provide:

362.19 (1) the applicant's taxpayer identification numbers including the Minnesota tax  
362.20 identification number and federal employer identification number;

362.21 (2) at the request of the commissioner, a copy of the most recent filing with the secretary  
362.22 of state that includes the complete business name, and if doing business under a different  
362.23 name, the doing business as (DBA) name, as registered with the secretary of state;

362.24 (3) the first, middle, and last name, and address for all individuals who will be controlling  
362.25 individuals, including all officers, owners, and managerial officials as defined in section  
362.26 245A.02, subdivision 5a, and the date that the background study was initiated by the applicant  
362.27 for each controlling individual;

362.28 (4) if applicable, the applicant's NPI number and UMPI number;

362.29 (5) the documents that created the organization and that determine the organization's  
362.30 internal governance and the relations among the persons that own the organization, have  
362.31 an interest in the organization, or are members of the organization, in each case as provided  
362.32 or authorized by the organization's governing statute, which may include a partnership

363.1 agreement, bylaws, articles of organization, organizational chart, and operating agreement,  
363.2 or comparable documents as provided in the organization's governing statute; and

363.3 (6) the notarized signature of the applicant or authorized agent.

363.4 (h) When the applicant is a government entity, the applicant must provide:

363.5 (1) the name of the government agency, political subdivision, or other unit of government  
363.6 seeking the license and the name of the program or services that will be licensed;

363.7 (2) the applicant's taxpayer identification numbers including the Minnesota tax  
363.8 identification number and federal employer identification number;

363.9 (3) a letter signed by the manager, administrator, or other executive of the government  
363.10 entity authorizing the submission of the license application; and

363.11 (4) if applicable, the applicant's NPI number and UMPI number.

363.12 (i) At the time of application for licensure or renewal of a license under this chapter, the  
363.13 applicant or license holder must acknowledge on the form provided by the commissioner  
363.14 if the applicant or license holder elects to receive any public funding reimbursement from  
363.15 the commissioner for services provided under the license that:

363.16 (1) the applicant's or license holder's compliance with the provider enrollment agreement  
363.17 or registration requirements for receipt of public funding may be monitored by the  
363.18 commissioner as part of a licensing investigation or licensing inspection; and

363.19 (2) noncompliance with the provider enrollment agreement or registration requirements  
363.20 for receipt of public funding that is identified through a licensing investigation or licensing  
363.21 inspection, or noncompliance with a licensing requirement that is a basis of enrollment for  
363.22 reimbursement for a service, may result in:

363.23 (i) a correction order or a conditional license under section 245A.06, or sanctions under  
363.24 section 245A.07;

363.25 (ii) nonpayment of claims submitted by the license holder for public program  
363.26 reimbursement;

363.27 (iii) recovery of payments made for the service;

363.28 (iv) disenrollment in the public payment program; or

363.29 (v) other administrative, civil, or criminal penalties as provided by law.

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

364.1 Sec. 11. Minnesota Statutes 2022, section 245A.04, subdivision 7a, is amended to read:

364.2 Subd. 7a. **Notification required.** (a) A license holder must notify the commissioner, in  
364.3 a manner prescribed by the commissioner, and obtain the commissioner's approval before  
364.4 making any change that would alter the license information listed under subdivision 7,  
364.5 paragraph (a).

364.6 (b) A license holder must also notify the commissioner, in a manner prescribed by the  
364.7 commissioner, before making any change:

364.8 (1) to the license holder's authorized agent as defined in section 245A.02, subdivision  
364.9 3b;

364.10 (2) to the license holder's controlling individual as defined in section 245A.02, subdivision  
364.11 5a;

364.12 (3) to the license holder information on file with the secretary of state;

364.13 (4) in the location of the program or service licensed under this chapter; and

364.14 (5) to the federal or state tax identification number associated with the license holder.

364.15 (c) When, for reasons beyond the license holder's control, a license holder cannot provide  
364.16 the commissioner with prior notice of the changes in paragraph (b), clauses (1) to (3), the  
364.17 license holder must notify the commissioner by the tenth business day after the change and  
364.18 must provide any additional information requested by the commissioner.

364.19 (d) When a license holder notifies the commissioner of a change to the license holder  
364.20 information on file with the secretary of state, the license holder must provide amended  
364.21 articles of incorporation and other documentation of the change.

364.22 (e) Upon implementation of the provider licensing and reporting hub, license holders  
364.23 must enter and update information in the hub in a manner prescribed by the commissioner.

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

364.25 Sec. 12. Minnesota Statutes 2022, section 245A.05, is amended to read:

364.26 **245A.05 DENIAL OF APPLICATION.**

364.27 (a) The commissioner may deny a license if an applicant or controlling individual:

364.28 (1) fails to submit a substantially complete application after receiving notice from the  
364.29 commissioner under section 245A.04, subdivision 1;

364.30 (2) fails to comply with applicable laws or rules;

365.1 (3) knowingly withholds relevant information from or gives false or misleading  
365.2 information to the commissioner in connection with an application for a license or during  
365.3 an investigation;

365.4 (4) has a disqualification that has not been set aside under section 245C.22 and no  
365.5 variance has been granted;

365.6 (5) has an individual living in the household who received a background study under  
365.7 section 245C.03, subdivision 1, paragraph (a), clause (2), who has a disqualification that  
365.8 has not been set aside under section 245C.22, and no variance has been granted;

365.9 (6) is associated with an individual who received a background study under section  
365.10 245C.03, subdivision 1, paragraph (a), clause (6), who may have unsupervised access to  
365.11 children or vulnerable adults, and who has a disqualification that has not been set aside  
365.12 under section 245C.22, and no variance has been granted;

365.13 (7) fails to comply with section 245A.04, subdivision 1, paragraph (f) or (g);

365.14 (8) fails to demonstrate competent knowledge as required by section 245A.04, subdivision  
365.15 6;

365.16 (9) has a history of noncompliance as a license holder or controlling individual with  
365.17 applicable laws or rules, including but not limited to this chapter and chapters 119B and  
365.18 245C;

365.19 (10) is prohibited from holding a license according to section 245.095; or

365.20 (11) for a family foster setting, has nondisqualifying background study information, as  
365.21 described in section 245C.05, subdivision 4, that reflects on the individual's ability to safely  
365.22 provide care to foster children.

365.23 (b) An applicant whose application has been denied by the commissioner must be given  
365.24 notice of the denial, which must state the reasons for the denial in plain language. Notice  
365.25 must be given by certified mail ~~or~~, by personal service, or through the provider licensing  
365.26 and reporting hub. The notice must state the reasons the application was denied and must  
365.27 inform the applicant of the right to a contested case hearing under chapter 14 and Minnesota  
365.28 Rules, parts 1400.8505 to 1400.8612. The applicant may appeal the denial by notifying the  
365.29 commissioner in writing by certified mail ~~or~~, by personal service, or through the provider  
365.30 licensing and reporting hub. If mailed, the appeal must be postmarked and sent to the  
365.31 commissioner within 20 calendar days after the applicant received the notice of denial. If  
365.32 an appeal request is made by personal service, it must be received by the commissioner  
365.33 within 20 calendar days after the applicant received the notice of denial. If the order is issued

366.1 through the provider hub, the appeal must be received by the commissioner within 20  
366.2 calendar days from the date the commissioner issued the order through the hub. Section  
366.3 245A.08 applies to hearings held to appeal the commissioner's denial of an application.

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

366.5 Sec. 13. Minnesota Statutes 2022, section 245A.055, subdivision 2, is amended to read:

366.6 Subd. 2. **Reconsideration of closure.** If a license is closed, the commissioner must  
366.7 notify the license holder of closure by certified mail ~~or~~, by personal service, or through the  
366.8 provider licensing and reporting hub. If mailed, the notice of closure must be mailed to the  
366.9 last known address of the license holder and must inform the license holder why the license  
366.10 was closed and that the license holder has the right to request reconsideration of the closure.  
366.11 If the license holder believes that the license was closed in error, the license holder may ask  
366.12 the commissioner to reconsider the closure. The license holder's request for reconsideration  
366.13 must be made in writing and must include documentation that the licensed program has  
366.14 served a client in the previous 12 months. The request for reconsideration must be postmarked  
366.15 and sent to the commissioner or submitted through the provider licensing and reporting hub  
366.16 within 20 calendar days after the license holder receives the notice of closure. Upon  
366.17 implementation of the provider licensing and reporting hub, the provider must use the hub  
366.18 to request reconsideration. If the order is issued through the provider hub, the reconsideration  
366.19 must be received by the commissioner within 20 calendar days from the date the  
366.20 commissioner issued the order through the hub. A timely request for reconsideration stays  
366.21 imposition of the license closure until the commissioner issues a decision on the request for  
366.22 reconsideration.

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

366.24 Sec. 14. Minnesota Statutes 2022, section 245A.06, subdivision 1, is amended to read:

366.25 Subdivision 1. **Contents of correction orders and conditional licenses.** (a) If the  
366.26 commissioner finds that the applicant or license holder has failed to comply with an  
366.27 applicable law or rule and this failure does not imminently endanger the health, safety, or  
366.28 rights of the persons served by the program, the commissioner may issue a correction order  
366.29 and an order of conditional license to the applicant or license holder. When issuing a  
366.30 conditional license, the commissioner shall consider the nature, chronicity, or severity of  
366.31 the violation of law or rule and the effect of the violation on the health, safety, or rights of  
366.32 persons served by the program. The correction order or conditional license must state the  
366.33 following in plain language:

- 367.1 (1) the conditions that constitute a violation of the law or rule;
- 367.2 (2) the specific law or rule violated;
- 367.3 (3) the time allowed to correct each violation; and
- 367.4 (4) if a license is made conditional, the length and terms of the conditional license, and
- 367.5 the reasons for making the license conditional.

367.6 (b) Nothing in this section prohibits the commissioner from proposing a sanction as

367.7 specified in section 245A.07, prior to issuing a correction order or conditional license.

367.8 (c) The commissioner may issue a correction order and an order of conditional license

367.9 to the applicant or license holder through the provider licensing and reporting hub.

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

367.11 Sec. 15. Minnesota Statutes 2022, section 245A.06, subdivision 2, is amended to read:

367.12 Subd. 2. **Reconsideration of correction orders.** (a) If the applicant or license holder

367.13 believes that the contents of the commissioner's correction order are in error, the applicant

367.14 or license holder may ask the Department of Human Services to reconsider the parts of the

367.15 correction order that are alleged to be in error. The request for reconsideration must be made

367.16 in writing and must be postmarked and sent to the commissioner within 20 calendar days

367.17 after receipt of the correction order or submitted in the provider licensing and reporting hub

367.18 within 20 calendar days from the date the commissioner issued the order through the hub

367.19 by the applicant or license holder, and:

- 367.20 (1) specify the parts of the correction order that are alleged to be in error;
- 367.21 (2) explain why they are in error; and
- 367.22 (3) include documentation to support the allegation of error.

367.23 Upon implementation of the provider licensing and reporting hub, the provider must use

367.24 the hub to request reconsideration. A request for reconsideration does not stay any provisions

367.25 or requirements of the correction order. The commissioner's disposition of a request for

367.26 reconsideration is final and not subject to appeal under chapter 14.

367.27 (b) This paragraph applies only to licensed family child care providers. A licensed family

367.28 child care provider who requests reconsideration of a correction order under paragraph (a)

367.29 may also request, on a form and in the manner prescribed by the commissioner, that the

367.30 commissioner expedite the review if:

368.1 (1) the provider is challenging a violation and provides a description of how complying  
368.2 with the corrective action for that violation would require the substantial expenditure of  
368.3 funds or a significant change to their program; and

368.4 (2) describes what actions the provider will take in lieu of the corrective action ordered  
368.5 to ensure the health and safety of children in care pending the commissioner's review of the  
368.6 correction order.

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

368.8 Sec. 16. Minnesota Statutes 2022, section 245A.06, subdivision 4, is amended to read:

368.9 Subd. 4. **Notice of conditional license; reconsideration of conditional license.** (a) If  
368.10 a license is made conditional, the license holder must be notified of the order by certified  
368.11 mail ~~or~~, by personal service, or through the provider licensing and reporting hub. If mailed,  
368.12 the notice must be mailed to the address shown on the application or the last known address  
368.13 of the license holder. The notice must state the reasons the conditional license was ordered  
368.14 and must inform the license holder of the right to request reconsideration of the conditional  
368.15 license by the commissioner. The license holder may request reconsideration of the order  
368.16 of conditional license by notifying the commissioner by certified mail ~~or~~, by personal service,  
368.17 or through the provider licensing and reporting hub. The request must be made in writing.  
368.18 If sent by certified mail, the request must be postmarked and sent to the commissioner within  
368.19 ten calendar days after the license holder received the order. If a request is made by personal  
368.20 service, it must be received by the commissioner within ten calendar days after the license  
368.21 holder received the order. If the order is issued through the provider hub, the request must  
368.22 be received by the commissioner within ten calendar days from the date the commissioner  
368.23 issued the order through the hub. The license holder may submit with the request for  
368.24 reconsideration written argument or evidence in support of the request for reconsideration.  
368.25 A timely request for reconsideration shall stay imposition of the terms of the conditional  
368.26 license until the commissioner issues a decision on the request for reconsideration. If the  
368.27 commissioner issues a dual order of conditional license under this section and an order to  
368.28 pay a fine under section 245A.07, subdivision 3, the license holder has a right to a contested  
368.29 case hearing under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The  
368.30 scope of the contested case hearing shall include the fine and the conditional license. In this  
368.31 case, a reconsideration of the conditional license will not be conducted under this section.  
368.32 If the license holder does not appeal the fine, the license holder does not have a right to a  
368.33 contested case hearing and a reconsideration of the conditional license must be conducted  
368.34 under this subdivision.



369.1 (b) The commissioner's disposition of a request for reconsideration is final and not  
 369.2 subject to appeal under chapter 14.

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

369.4 Sec. 17. Minnesota Statutes 2022, section 245A.07, subdivision 3, is amended to read:

369.5 Subd. 3. **License suspension, revocation, or fine.** (a) The commissioner may suspend  
 369.6 or revoke a license, or impose a fine if:

369.7 (1) a license holder fails to comply fully with applicable laws or rules including but not  
 369.8 limited to the requirements of this chapter and chapter 245C;

369.9 (2) a license holder, a controlling individual, or an individual living in the household  
 369.10 where the licensed services are provided or is otherwise subject to a background study has  
 369.11 been disqualified and the disqualification was not set aside and no variance has been granted;

369.12 (3) a license holder knowingly withholds relevant information from or gives false or  
 369.13 misleading information to the commissioner in connection with an application for a license,  
 369.14 in connection with the background study status of an individual, during an investigation,  
 369.15 or regarding compliance with applicable laws or rules;

369.16 (4) a license holder is excluded from any program administered by the commissioner  
 369.17 under section 245.095; or

369.18 (5) revocation is required under section 245A.04, subdivision 7, paragraph (d).

369.19 A license holder who has had a license issued under this chapter suspended, revoked,  
 369.20 or has been ordered to pay a fine must be given notice of the action by certified mail ~~or~~ by  
 369.21 personal service, or through the provider licensing and reporting hub. If mailed, the notice  
 369.22 must be mailed to the address shown on the application or the last known address of the  
 369.23 license holder. The notice must state in plain language the reasons the license was suspended  
 369.24 or revoked, or a fine was ordered.

369.25 (b) If the license was suspended or revoked, the notice must inform the license holder  
 369.26 of the right to a contested case hearing under chapter 14 and Minnesota Rules, parts  
 369.27 1400.8505 to 1400.8612. The license holder may appeal an order suspending or revoking  
 369.28 a license. The appeal of an order suspending or revoking a license must be made in writing  
 369.29 by certified mail or by personal service, or through the provider licensing and reporting  
 369.30 hub. If mailed, the appeal must be postmarked and sent to the commissioner within ten  
 369.31 calendar days after the license holder receives notice that the license has been suspended  
 369.32 or revoked. If a request is made by personal service, it must be received by the commissioner

370.1 within ten calendar days after the license holder received the order. If the order is issued  
370.2 through the provider hub, the appeal must be received by the commissioner within ten  
370.3 calendar days from the date the commissioner issued the order through the hub. Except as  
370.4 provided in subdivision 2a, paragraph (c), if a license holder submits a timely appeal of an  
370.5 order suspending or revoking a license, the license holder may continue to operate the  
370.6 program as provided in section 245A.04, subdivision 7, paragraphs (f) and (g), until the  
370.7 commissioner issues a final order on the suspension or revocation.

370.8 (c)(1) If the license holder was ordered to pay a fine, the notice must inform the license  
370.9 holder of the responsibility for payment of fines and the right to a contested case hearing  
370.10 under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The appeal of an  
370.11 order to pay a fine must be made in writing by certified mail ~~or~~, by personal service, or  
370.12 through the provider licensing and reporting hub. If mailed, the appeal must be postmarked  
370.13 and sent to the commissioner within ten calendar days after the license holder receives  
370.14 notice that the fine has been ordered. If a request is made by personal service, it must be  
370.15 received by the commissioner within ten calendar days after the license holder received the  
370.16 order. If the order is issued through the provider hub, the appeal must be received by the  
370.17 commissioner within ten calendar days from the date the commissioner issued the order  
370.18 through the hub.

370.19 (2) The license holder shall pay the fines assessed on or before the payment date specified.  
370.20 If the license holder fails to fully comply with the order, the commissioner may issue a  
370.21 second fine or suspend the license until the license holder complies. If the license holder  
370.22 receives state funds, the state, county, or municipal agencies or departments responsible for  
370.23 administering the funds shall withhold payments and recover any payments made while the  
370.24 license is suspended for failure to pay a fine. A timely appeal shall stay payment of the fine  
370.25 until the commissioner issues a final order.

370.26 (3) A license holder shall promptly notify the commissioner of human services, in writing,  
370.27 when a violation specified in the order to forfeit a fine is corrected. If upon reinspection the  
370.28 commissioner determines that a violation has not been corrected as indicated by the order  
370.29 to forfeit a fine, the commissioner may issue a second fine. The commissioner shall notify  
370.30 the license holder by certified mail ~~or~~, by personal service, or through the provider licensing  
370.31 and reporting hub that a second fine has been assessed. The license holder may appeal the  
370.32 second fine as provided under this subdivision.

370.33 (4) Fines shall be assessed as follows:

371.1 (i) the license holder shall forfeit \$1,000 for each determination of maltreatment of a  
371.2 child under chapter 260E or the maltreatment of a vulnerable adult under section 626.557  
371.3 for which the license holder is determined responsible for the maltreatment under section  
371.4 260E.30, subdivision 4, paragraphs (a) and (b), or 626.557, subdivision 9c, paragraph (c);

371.5 (ii) if the commissioner determines that a determination of maltreatment for which the  
371.6 license holder is responsible is the result of maltreatment that meets the definition of serious  
371.7 maltreatment as defined in section 245C.02, subdivision 18, the license holder shall forfeit  
371.8 \$5,000;

371.9 (iii) for a program that operates out of the license holder's home and a program licensed  
371.10 under Minnesota Rules, parts 9502.0300 to 9502.0445, the fine assessed against the license  
371.11 holder shall not exceed \$1,000 for each determination of maltreatment;

371.12 (iv) the license holder shall forfeit \$200 for each occurrence of a violation of law or rule  
371.13 governing matters of health, safety, or supervision, including but not limited to the provision  
371.14 of adequate staff-to-child or adult ratios, and failure to comply with background study  
371.15 requirements under chapter 245C; and

371.16 (v) the license holder shall forfeit \$100 for each occurrence of a violation of law or rule  
371.17 other than those subject to a \$5,000, \$1,000, or \$200 fine in items (i) to (iv).

371.18 For purposes of this section, "occurrence" means each violation identified in the  
371.19 commissioner's fine order. Fines assessed against a license holder that holds a license to  
371.20 provide home and community-based services, as identified in section 245D.03, subdivision  
371.21 1, and a community residential setting or day services facility license under chapter 245D  
371.22 where the services are provided, may be assessed against both licenses for the same  
371.23 occurrence, but the combined amount of the fines shall not exceed the amount specified in  
371.24 this clause for that occurrence.

371.25 (5) When a fine has been assessed, the license holder may not avoid payment by closing,  
371.26 selling, or otherwise transferring the licensed program to a third party. In such an event, the  
371.27 license holder will be personally liable for payment. In the case of a corporation, each  
371.28 controlling individual is personally and jointly liable for payment.

371.29 (d) Except for background study violations involving the failure to comply with an order  
371.30 to immediately remove an individual or an order to provide continuous, direct supervision,  
371.31 the commissioner shall not issue a fine under paragraph (c) relating to a background study  
371.32 violation to a license holder who self-corrects a background study violation before the  
371.33 commissioner discovers the violation. A license holder who has previously exercised the  
371.34 provisions of this paragraph to avoid a fine for a background study violation may not avoid

372.1 a fine for a subsequent background study violation unless at least 365 days have passed  
372.2 since the license holder self-corrected the earlier background study violation.

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

372.4 Sec. 18. Minnesota Statutes 2022, section 245A.16, is amended by adding a subdivision  
372.5 to read:

372.6 **Subd. 10. Licensing and reporting hub.** Upon implementation of the provider licensing  
372.7 and reporting hub, county staff who perform licensing functions must use the hub in the  
372.8 manner prescribed by the commissioner.

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

372.10 Sec. 19. Minnesota Statutes 2022, section 245A.50, subdivision 3, is amended to read:

372.11 **Subd. 3. First aid.** (a) Before initial licensure and before caring for a child, license  
372.12 holders, second adult caregivers, and substitutes must be trained in pediatric first aid. The  
372.13 first aid training must have been provided by an individual approved to provide first aid  
372.14 instruction. First aid training may be less than eight hours and persons qualified to provide  
372.15 first aid training include individuals approved as first aid instructors. License holders, second  
372.16 adult caregivers, and substitutes must repeat pediatric first aid training every two years.  
372.17 ~~When the training expires, it must be retaken no later than the day before the anniversary~~  
372.18 ~~of the license holder's license effective date.~~ License holders, second adult caregivers, and  
372.19 substitutes must not let the training expire.

372.20 (b) Video training reviewed and approved by the county licensing agency satisfies the  
372.21 training requirement of this subdivision.

372.22 Sec. 20. Minnesota Statutes 2022, section 245A.50, subdivision 4, is amended to read:

372.23 **Subd. 4. Cardiopulmonary resuscitation.** (a) Before initial licensure and before caring  
372.24 for a child, license holders, second adult caregivers, and substitutes must be trained in  
372.25 pediatric cardiopulmonary resuscitation (CPR), including CPR techniques for infants and  
372.26 children, and in the treatment of obstructed airways. The CPR training must have been  
372.27 provided by an individual approved to provide CPR instruction. License holders, second  
372.28 adult caregivers, and substitutes must repeat pediatric CPR training at least once every two  
372.29 years and must document the training in the license holder's records. ~~When the training~~  
372.30 ~~expires, it must be retaken no later than the day before the anniversary of the license holder's~~  
372.31 ~~license effective date.~~ License holders, second adult caregivers, and substitutes must not let  
372.32 the training expire.

373.1 (b) Persons providing CPR training must use CPR training that has been developed:

373.2 (1) by the American Heart Association or the American Red Cross and incorporates  
373.3 psychomotor skills to support the instruction; or

373.4 (2) using nationally recognized, evidence-based guidelines for CPR training and  
373.5 incorporates psychomotor skills to support the instruction.

373.6 Sec. 21. Minnesota Statutes 2022, section 245A.50, subdivision 5, is amended to read:

373.7 Subd. 5. **Sudden unexpected infant death and abusive head trauma training.** (a)

373.8 License holders must ensure and document that before the license holder, second adult  
373.9 caregivers, substitutes, and helpers assist in the care of infants, they are instructed on the  
373.10 standards in section 245A.1435 and receive training on reducing the risk of sudden  
373.11 unexpected infant death. In addition, license holders must ensure and document that before  
373.12 the license holder, second adult caregivers, substitutes, and helpers assist in the care of  
373.13 infants and children under school age, they receive training on reducing the risk of abusive  
373.14 head trauma from shaking infants and young children. The training in this subdivision may  
373.15 be provided as initial training under subdivision 1 or ongoing annual training under  
373.16 subdivision 7.

373.17 (b) Sudden unexpected infant death reduction training required under this subdivision  
373.18 must, at a minimum, address the risk factors related to sudden unexpected infant death,  
373.19 means of reducing the risk of sudden unexpected infant death in child care, and license  
373.20 holder communication with parents regarding reducing the risk of sudden unexpected infant  
373.21 death.

373.22 (c) Abusive head trauma training required under this subdivision must, at a minimum,  
373.23 address the risk factors related to shaking infants and young children, means of reducing  
373.24 the risk of abusive head trauma in child care, and license holder communication with parents  
373.25 regarding reducing the risk of abusive head trauma.

373.26 (d) Training for family and group family child care providers must be developed by the  
373.27 commissioner in conjunction with the Minnesota Sudden Infant Death Center and approved  
373.28 by the Minnesota Center for Professional Development. Sudden unexpected infant death  
373.29 reduction training and abusive head trauma training may be provided in a single course of  
373.30 no more than two hours in length.

373.31 (e) Sudden unexpected infant death reduction training and abusive head trauma training  
373.32 required under this subdivision must be completed in person or as allowed under subdivision  
373.33 10, clause (1) or (2), at least once every two years. ~~When the training expires, it must be~~

374.1 ~~retaken no later than the day before the anniversary of the license holder's license effective~~  
374.2 ~~date.~~ On the years when the individual receiving training is not receiving training in person  
374.3 or as allowed under subdivision 10, clause (1) or (2), the individual receiving training in  
374.4 accordance with this subdivision must receive sudden unexpected infant death reduction  
374.5 training and abusive head trauma training through a video of no more than one hour in  
374.6 length. The video must be developed or approved by the commissioner.

374.7 (f) An individual who is related to the license holder as defined in section 245A.02,  
374.8 subdivision 13, and who is involved only in the care of the license holder's own infant or  
374.9 child under school age and who is not designated to be a second adult caregiver, helper, or  
374.10 substitute for the licensed program, is exempt from the sudden unexpected infant death and  
374.11 abusive head trauma training.

374.12 Sec. 22. Minnesota Statutes 2022, section 245A.50, subdivision 6, is amended to read:

374.13 Subd. 6. **Child passenger restraint systems; training requirement.** (a) A license  
374.14 holder must comply with all seat belt and child passenger restraint system requirements  
374.15 under section 169.685.

374.16 (b) Family and group family child care programs licensed by the Department of Human  
374.17 Services that serve a child or children under eight years of age must document training that  
374.18 fulfills the requirements in this subdivision.

374.19 (1) Before a license holder, second adult caregiver, substitute, or helper transports a  
374.20 child or children under age eight in a motor vehicle, the person placing the child or children  
374.21 in a passenger restraint must satisfactorily complete training on the proper use and installation  
374.22 of child restraint systems in motor vehicles. Training completed under this subdivision may  
374.23 be used to meet initial training under subdivision 1 or ongoing training under subdivision  
374.24 7.

374.25 (2) Training required under this subdivision must be at least one hour in length, completed  
374.26 at initial training, and repeated at least once every five years. ~~When the training expires, it~~  
374.27 ~~must be retaken no later than the day before the anniversary of the license holder's license~~  
374.28 ~~effective date.~~ At a minimum, the training must address the proper use of child restraint  
374.29 systems based on the child's size, weight, and age, and the proper installation of a car seat  
374.30 or booster seat in the motor vehicle used by the license holder to transport the child or  
374.31 children.

374.32 (3) Training under this subdivision must be provided by individuals who are certified  
374.33 and approved by the Department of Public Safety, Office of Traffic Safety. License holders

375.1 may obtain a list of certified and approved trainers through the Department of Public Safety  
375.2 website or by contacting the agency.

375.3 (c) Child care providers that only transport school-age children as defined in section  
375.4 245A.02, subdivision 19, paragraph (f), in child care buses as defined in section 169.448,  
375.5 subdivision 1, paragraph (e), are exempt from this subdivision.

375.6 Sec. 23. Minnesota Statutes 2022, section 245A.50, subdivision 9, is amended to read:

375.7 Subd. 9. **Supervising for safety; training requirement.** (a) Courses required by this  
375.8 subdivision must include the following health and safety topics:

375.9 (1) preventing and controlling infectious diseases;

375.10 (2) administering medication;

375.11 (3) preventing and responding to allergies;

375.12 (4) ensuring building and physical premises safety;

375.13 (5) handling and storing biological contaminants;

375.14 (6) preventing and reporting child abuse and maltreatment; and

375.15 (7) emergency preparedness.

375.16 (b) Before initial licensure and before caring for a child, all family child care license  
375.17 holders and each second adult caregiver shall complete and document the completion of  
375.18 the six-hour Supervising for Safety for Family Child Care course developed by the  
375.19 commissioner.

375.20 (c) The license holder must ensure and document that, before caring for a child, all  
375.21 substitutes have completed the four-hour Basics of Licensed Family Child Care for  
375.22 Substitutes course developed by the commissioner, which must include health and safety  
375.23 topics as well as child development and learning.

375.24 (d) The family child care license holder and each second adult caregiver shall complete  
375.25 and document:

375.26 (1) the annual completion of either:

375.27 (i) a two-hour active supervision course developed by the commissioner; or

375.28 (ii) any courses in the ensuring safety competency area under the health, safety, and  
375.29 nutrition standard of the Knowledge and Competency Framework that the commissioner  
375.30 has identified as an active supervision training course; and

376.1 (2) the completion at least once every five years of the two-hour courses Health and  
 376.2 Safety I and Health and Safety II. ~~When the training is due for the first time or expires, it~~  
 376.3 ~~must be taken no later than the day before the anniversary of the license holder's license~~  
 376.4 ~~effective date.~~ A license holder's or second adult caregiver's completion of either training  
 376.5 in a given year meets the annual active supervision training requirement in clause (1).

376.6 (e) At least once every three years, license holders must ensure and document that  
 376.7 substitutes have completed the four-hour Basics of Licensed Family Child Care for  
 376.8 Substitutes course. ~~When the training expires, it must be retaken no later than the day before~~  
 376.9 ~~the anniversary of the license holder's license effective date.~~

376.10 Sec. 24. Minnesota Statutes 2022, section 245G.03, subdivision 1, is amended to read:

376.11 Subdivision 1. **License requirements.** (a) An applicant for a license to provide substance  
 376.12 use disorder treatment must comply with the general requirements in section 626.557;  
 376.13 chapters 245A, 245C, and 260E; and Minnesota Rules, chapter 9544.

376.14 (b) The commissioner may grant variances to the requirements in this chapter that do  
 376.15 not affect the client's health or safety if the conditions in section 245A.04, subdivision 9,  
 376.16 are met.

376.17 (c) If a program is licensed according to this chapter and is part of a certified community  
 376.18 behavioral health clinic under sections 245.7351 to 245.7357, the license holder must comply  
 376.19 with the requirements in section 245.7355, subdivisions 6 to 9, as part of the licensing  
 376.20 requirements under this chapter.

376.21 Sec. 25. Minnesota Statutes 2022, section 245H.03, subdivision 2, is amended to read:

376.22 Subd. 2. **Application submission.** The commissioner shall provide application  
 376.23 instructions and information about the rules and requirements of other state agencies that  
 376.24 affect the applicant. The certification application must be submitted in a manner prescribed  
 376.25 by the commissioner. Upon implementation of the provider licensing and reporting hub,  
 376.26 applicants must use the hub in the manner prescribed by the commissioner. The commissioner  
 376.27 shall act on the application within 90 working days of receiving a completed application.

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

376.29 Sec. 26. Minnesota Statutes 2022, section 245H.03, subdivision 4, is amended to read:

376.30 Subd. 4. **Reconsideration of certification denial.** (a) The applicant may request  
 376.31 reconsideration of the denial by notifying the commissioner by certified mail ~~or~~, by personal



377.1 service, or through the provider licensing and reporting hub. The request must be made in  
377.2 writing. If sent by certified mail, the request must be postmarked and sent to the  
377.3 commissioner within 20 calendar days after the applicant received the order. If a request is  
377.4 made by personal service, it must be received by the commissioner within 20 calendar days  
377.5 after the applicant received the order. If the order is issued through the provider hub, the  
377.6 request must be received by the commissioner within 20 calendar days from the date the  
377.7 commissioner issued the order through the hub. The applicant may submit with the request  
377.8 for reconsideration a written argument or evidence in support of the request for  
377.9 reconsideration.

377.10 (b) The commissioner's disposition of a request for reconsideration is final and not  
377.11 subject to appeal under chapter 14.

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

377.13 Sec. 27. Minnesota Statutes 2022, section 245H.06, subdivision 1, is amended to read:

377.14 Subdivision 1. **Correction order requirements.** (a) If the applicant or certification  
377.15 holder failed to comply with a law or rule, the commissioner may issue a correction order.  
377.16 The correction order must state:

377.17 (1) the condition that constitutes a violation of the law or rule;

377.18 (2) the specific law or rule violated; and

377.19 (3) the time allowed to correct each violation.

377.20 (b) The commissioner may issue a correction order to the applicant or certification holder  
377.21 through the provider licensing and reporting hub.

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

377.23 Sec. 28. Minnesota Statutes 2022, section 245H.06, subdivision 2, is amended to read:

377.24 Subd. 2. **Reconsideration request.** (a) If the applicant or certification holder believes  
377.25 that the commissioner's correction order is erroneous, the applicant or certification holder  
377.26 may ask the commissioner to reconsider the part of the correction order that is allegedly  
377.27 erroneous. A request for reconsideration must be made in writing; and postmarked; or  
377.28 submitted through the provider licensing and reporting hub, and sent to the commissioner  
377.29 within 20 calendar days after the applicant or certification holder received the correction  
377.30 order, and must:

377.31 (1) specify the part of the correction order that is allegedly erroneous;

378.1 (2) explain why the specified part is erroneous; and

378.2 (3) include documentation to support the allegation of error.

378.3 (b) A request for reconsideration does not stay any provision or requirement of the  
378.4 correction order. The commissioner's disposition of a request for reconsideration is final  
378.5 and not subject to appeal.

378.6 (c) Upon implementation of the provider licensing and reporting hub, the provider must  
378.7 use the hub to request reconsideration. If the order is issued through the provider hub, the  
378.8 request must be received by the commissioner within 20 calendar days from the date the  
378.9 commissioner issued the order through the hub.

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

378.11 Sec. 29. Minnesota Statutes 2022, section 245H.07, subdivision 1, is amended to read:

378.12 Subdivision 1. **Generally.** (a) The commissioner may decertify a center if a certification  
378.13 holder:

378.14 (1) failed to comply with an applicable law or rule;

378.15 (2) knowingly withheld relevant information from or gave false or misleading information  
378.16 to the commissioner in connection with an application for certification, in connection with  
378.17 the background study status of an individual, during an investigation, or regarding compliance  
378.18 with applicable laws or rules; or

378.19 (3) has authorization to receive child care assistance payments revoked pursuant to  
378.20 chapter 119B.

378.21 (b) When considering decertification, the commissioner shall consider the nature,  
378.22 chronicity, or severity of the violation of law or rule.

378.23 (c) When a center is decertified, the center is ineligible to receive a child care assistance  
378.24 payment under chapter 119B.

378.25 (d) The commissioner may issue a decertification order to a certification holder through  
378.26 the provider licensing and reporting hub.

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

378.28 Sec. 30. Minnesota Statutes 2022, section 245H.07, subdivision 2, is amended to read:

378.29 Subd. 2. **Reconsideration of decertification.** (a) The certification holder may request  
378.30 reconsideration of the decertification by notifying the commissioner by certified mail ~~or~~

379.1 by personal service, or through the provider licensing and reporting hub. The request must  
379.2 be made in writing. If sent by certified mail, the request must be postmarked and sent to the  
379.3 commissioner within 20 calendar days after the certification holder received the order. If a  
379.4 request is made by personal service, it must be received by the commissioner within 20  
379.5 calendar days after the certification holder received the order. If the order is issued through  
379.6 the provider hub, the request must be received by the commissioner within 20 calendar days  
379.7 from the date the commissioner issued the order through the hub. With the request for  
379.8 reconsideration, the certification holder may submit a written argument or evidence in  
379.9 support of the request for reconsideration.

379.10 (b) The commissioner's disposition of a request for reconsideration is final and not  
379.11 subject to appeal under chapter 14.

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

379.13 Sec. 31. Minnesota Statutes 2022, section 245I.011, subdivision 3, is amended to read:

379.14 Subd. 3. **Certification required.** (a) An individual, organization, or government entity  
379.15 that is exempt from licensure under section 245A.03, subdivision 2, paragraph (a), clause  
379.16 (19), and chooses to be identified as a certified mental health clinic must:

379.17 (1) be a mental health clinic that is certified under section 245I.20;

379.18 (2) comply with all of the responsibilities assigned to a license holder by this chapter  
379.19 except subdivision 1; and

379.20 (3) comply with all of the responsibilities assigned to a certification holder by chapter  
379.21 245A.

379.22 (b) An individual, organization, or government entity described by this subdivision must  
379.23 obtain a criminal background study for each staff person or volunteer who provides direct  
379.24 contact services to clients.

379.25 (c) If a program is licensed according to this chapter and is part of a certified community  
379.26 behavioral health clinic under sections 245.7351 to 245.7357, the license holder must comply  
379.27 with the requirements in section 245.7355, subdivisions 6 to 9, as part of the licensing  
379.28 requirements under this chapter.

379.29 Sec. 32. Minnesota Statutes 2022, section 245I.20, subdivision 10, is amended to read:

379.30 Subd. 10. **Application procedures.** (a) The applicant for certification must submit any  
379.31 documents that the commissioner requires on forms approved by the commissioner. Upon

380.1 implementation of the provider licensing and reporting hub, applicants must use the hub in  
380.2 the manner prescribed by the commissioner.

380.3 (b) Upon submitting an application for certification, an applicant must pay the application  
380.4 fee required by section 245A.10, subdivision 3.

380.5 (c) The commissioner must act on an application within 90 working days of receiving  
380.6 a completed application.

380.7 (d) When the commissioner receives an application for initial certification that is  
380.8 incomplete because the applicant failed to submit required documents or is deficient because  
380.9 the submitted documents do not meet certification requirements, the commissioner must  
380.10 provide the applicant with written notice that the application is incomplete or deficient. In  
380.11 the notice, the commissioner must identify the particular documents that are missing or  
380.12 deficient and give the applicant 45 days to submit a second application that is complete. An  
380.13 applicant's failure to submit a complete application within 45 days after receiving notice  
380.14 from the commissioner is a basis for certification denial.

380.15 (e) The commissioner must give notice of a denial to an applicant when the commissioner  
380.16 has made the decision to deny the certification application. In the notice of denial, the  
380.17 commissioner must state the reasons for the denial in plain language. The commissioner  
380.18 must send or deliver the notice of denial to an applicant by certified mail ~~or~~, by personal  
380.19 service or through the provider licensing and reporting hub. In the notice of denial, the  
380.20 commissioner must state the reasons that the commissioner denied the application and must  
380.21 inform the applicant of the applicant's right to request a contested case hearing under chapter  
380.22 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The applicant may appeal the denial  
380.23 by notifying the commissioner in writing by certified mail ~~or~~, by personal service, or through  
380.24 the provider licensing and reporting hub. If mailed, the appeal must be postmarked and sent  
380.25 to the commissioner within 20 calendar days after the applicant received the notice of denial.  
380.26 If an applicant delivers an appeal by personal service, the commissioner must receive the  
380.27 appeal within 20 calendar days after the applicant received the notice of denial. If the order  
380.28 is issued through the provider hub, the request must be received by the commissioner within  
380.29 20 calendar days from the date the commissioner issued the order through the hub.

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

381.1 Sec. 33. Minnesota Statutes 2022, section 245I.20, subdivision 13, is amended to read:

381.2 Subd. 13. **Correction orders.** (a) If the applicant or certification holder fails to comply  
381.3 with a law or rule, the commissioner may issue a correction order. The correction order  
381.4 must state:

381.5 (1) the condition that constitutes a violation of the law or rule;

381.6 (2) the specific law or rule that the applicant or certification holder has violated; and

381.7 (3) the time that the applicant or certification holder is allowed to correct each violation.

381.8 (b) If the applicant or certification holder believes that the commissioner's correction  
381.9 order is erroneous, the applicant or certification holder may ask the commissioner to  
381.10 reconsider the part of the correction order that is allegedly erroneous. An applicant or  
381.11 certification holder must make a request for reconsideration in writing. The request must  
381.12 be postmarked and sent to the commissioner or submitted in the provider licensing and  
381.13 reporting hub within 20 calendar days after the applicant or certification holder received  
381.14 the correction order; and the request must:

381.15 (1) specify the part of the correction order that is allegedly erroneous;

381.16 (2) explain why the specified part is erroneous; and

381.17 (3) include documentation to support the allegation of error.

381.18 (c) A request for reconsideration does not stay any provision or requirement of the  
381.19 correction order. The commissioner's disposition of a request for reconsideration is final  
381.20 and not subject to appeal.

381.21 (d) If the commissioner finds that the applicant or certification holder failed to correct  
381.22 the violation specified in the correction order, the commissioner may decertify the certified  
381.23 mental health clinic according to subdivision 14.

381.24 (e) Nothing in this subdivision prohibits the commissioner from decertifying a mental  
381.25 health clinic according to subdivision 14.

381.26 (f) The commissioner may issue a correction order to the applicant or certification holder  
381.27 through the provider licensing and reporting hub. If the order is issued through the provider  
381.28 hub, the request must be received by the commissioner within 20 calendar days from the  
381.29 date the commissioner issued the order through the hub.

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

382.1 Sec. 34. Minnesota Statutes 2022, section 245I.20, subdivision 14, is amended to read:

382.2 Subd. 14. **Decertification.** (a) The commissioner may decertify a mental health clinic  
382.3 if a certification holder:

382.4 (1) failed to comply with an applicable law or rule; or

382.5 (2) knowingly withheld relevant information from or gave false or misleading information  
382.6 to the commissioner in connection with an application for certification, during an  
382.7 investigation, or regarding compliance with applicable laws or rules.

382.8 (b) When considering decertification of a mental health clinic, the commissioner must  
382.9 consider the nature, chronicity, or severity of the violation of law or rule and the effect of  
382.10 the violation on the health, safety, or rights of clients.

382.11 (c) If the commissioner decertifies a mental health clinic, the order of decertification  
382.12 must inform the certification holder of the right to have a contested case hearing under  
382.13 chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The commissioner may  
382.14 issue the order through the provider licensing and reporting hub. The certification holder  
382.15 may appeal the decertification. The certification holder must appeal a decertification in  
382.16 writing and send or deliver the appeal to the commissioner by certified mail ~~or~~, by personal  
382.17 service, or through the provider licensing and reporting hub. If the certification holder mails  
382.18 the appeal, the appeal must be postmarked and sent to the commissioner within ten calendar  
382.19 days after the certification holder receives the order of decertification. If the certification  
382.20 holder delivers an appeal by personal service, the commissioner must receive the appeal  
382.21 within ten calendar days after the certification holder received the order. If the order is  
382.22 issued through the provider hub, the request must be received by the commissioner within  
382.23 20 calendar days from the date the commissioner issued the order through the hub. If a  
382.24 certification holder submits a timely appeal of an order of decertification, the certification  
382.25 holder may continue to operate the program until the commissioner issues a final order on  
382.26 the decertification.

382.27 (d) If the commissioner decertifies a mental health clinic pursuant to paragraph (a),  
382.28 clause (1), based on a determination that the mental health clinic was responsible for  
382.29 maltreatment, and if the certification holder appeals the decertification according to paragraph  
382.30 (c), and appeals the maltreatment determination under section 260E.33, the final  
382.31 decertification determination is stayed until the commissioner issues a final decision regarding  
382.32 the maltreatment appeal.

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

383.1 Sec. 35. Minnesota Statutes 2022, section 245I.20, subdivision 16, is amended to read:

383.2 Subd. 16. **Notifications required and noncompliance.** (a) A certification holder must  
383.3 notify the commissioner, in a manner prescribed by the commissioner, and obtain the  
383.4 commissioner's approval before making any change to the name of the certification holder  
383.5 or the location of the mental health clinic. Upon implementation of the provider licensing  
383.6 and reporting hub, certification holders must enter and update information in the hub in a  
383.7 manner prescribed by the commissioner.

383.8 (b) Changes in mental health clinic organization, staffing, treatment, or quality assurance  
383.9 procedures that affect the ability of the certification holder to comply with the minimum  
383.10 standards of this section must be reported in writing by the certification holder to the  
383.11 commissioner within 15 days of the occurrence. Review of the change must be conducted  
383.12 by the commissioner. A certification holder with changes resulting in noncompliance in  
383.13 minimum standards must receive written notice and may have up to 180 days to correct the  
383.14 areas of noncompliance before being decertified. Interim procedures to resolve the  
383.15 noncompliance on a temporary basis must be developed and submitted in writing to the  
383.16 commissioner for approval within 30 days of the commissioner's determination of the  
383.17 noncompliance. Not reporting an occurrence of a change that results in noncompliance  
383.18 within 15 days, failure to develop an approved interim procedure within 30 days of the  
383.19 determination of the noncompliance, or nonresolution of the noncompliance within 180  
383.20 days will result in immediate decertification.

383.21 (c) The mental health clinic may be required to submit written information to the  
383.22 department to document that the mental health clinic has maintained compliance with this  
383.23 section and mental health clinic procedures.

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

383.25 Sec. 36. Minnesota Statutes 2022, section 260E.09, is amended to read:

383.26 **260E.09 REPORTING REQUIREMENTS.**

383.27 (a) An oral report shall be made immediately by telephone or otherwise. An oral report  
383.28 made by a person required under section 260E.06, subdivision 1, to report shall be followed  
383.29 within 72 hours, exclusive of weekends and holidays, by a report in writing to the appropriate  
383.30 police department, the county sheriff, the agency responsible for assessing or investigating  
383.31 the report, or the local welfare agency.

383.32 (b) Any report shall be of sufficient content to identify the child, any person believed  
383.33 to be responsible for the maltreatment of the child if the person is known, the nature and

384.1 extent of the maltreatment, and the name and address of the reporter. The local welfare  
384.2 agency or agency responsible for assessing or investigating the report shall accept a report  
384.3 made under section 260E.06 notwithstanding refusal by a reporter to provide the reporter's  
384.4 name or address as long as the report is otherwise sufficient under this paragraph.

384.5 (c) Notwithstanding paragraph (a), upon implementation of the provider licensing and  
384.6 reporting hub, an individual who has an account with the provider licensing and reporting  
384.7 hub and is required to report suspected maltreatment at a licensed program under section  
384.8 260E.06, subdivision 1, may submit a written report in the hub in a manner prescribed by  
384.9 the commissioner and is not required to make an oral report. A report submitted through  
384.10 the provider licensing and reporting hub must be made immediately.

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

384.12 Sec. 37. Minnesota Statutes 2022, section 270B.14, subdivision 1, is amended to read:

384.13 Subdivision 1. **Disclosure to commissioner of human services.** (a) On the request of  
384.14 the commissioner of human services, the commissioner shall disclose return information  
384.15 regarding taxes imposed by chapter 290, and claims for refunds under chapter 290A, to the  
384.16 extent provided in paragraph (b) and for the purposes set forth in paragraph (c).

384.17 (b) Data that may be disclosed are limited to data relating to the identity, whereabouts,  
384.18 employment, income, and property of a person owing or alleged to be owing an obligation  
384.19 of child support.

384.20 (c) The commissioner of human services may request data only for the purposes of  
384.21 carrying out the child support enforcement program and to assist in the location of parents  
384.22 who have, or appear to have, deserted their children. Data received may be used only as set  
384.23 forth in section 256.978.

384.24 (d) The commissioner shall provide the records and information necessary to administer  
384.25 the supplemental housing allowance to the commissioner of human services.

384.26 (e) At the request of the commissioner of human services, the commissioner of revenue  
384.27 shall electronically match the Social Security numbers and names of participants in the  
384.28 telephone assistance plan operated under sections 237.69 to 237.71, with those of property  
384.29 tax refund filers, and determine whether each participant's household income is within the  
384.30 eligibility standards for the telephone assistance plan.

384.31 (f) The commissioner may provide records and information collected under sections  
384.32 295.50 to 295.59 to the commissioner of human services for purposes of the Medicaid  
384.33 Voluntary Contribution and Provider-Specific Tax Amendments of 1991, Public Law



385.1 102-234. Upon the written agreement by the United States Department of Health and Human  
385.2 Services to maintain the confidentiality of the data, the commissioner may provide records  
385.3 and information collected under sections 295.50 to 295.59 to the Centers for Medicare and  
385.4 Medicaid Services section of the United States Department of Health and Human Services  
385.5 for purposes of meeting federal reporting requirements.

385.6 (g) The commissioner may provide records and information to the commissioner of  
385.7 human services as necessary to administer the early refund of refundable tax credits.

385.8 (h) The commissioner may disclose information to the commissioner of human services  
385.9 as necessary for income verification for eligibility and premium payment under the  
385.10 MinnesotaCare program, under section 256L.05, subdivision 2, as well as the medical  
385.11 assistance program under chapter 256B.

385.12 (i) The commissioner may disclose information to the commissioner of human services  
385.13 necessary to verify whether applicants or recipients for the Minnesota family investment  
385.14 program, general assistance, the Supplemental Nutrition Assistance Program (SNAP),  
385.15 Minnesota supplemental aid program, and child care assistance have claimed refundable  
385.16 tax credits under chapter 290 and the property tax refund under chapter 290A, and the  
385.17 amounts of the credits.

385.18 (j) The commissioner may disclose information to the commissioner of human services  
385.19 necessary to verify income for purposes of calculating parental contribution amounts under  
385.20 section 252.27, subdivision 2a.

385.21 (k) The commissioner shall disclose information to the commissioner of human services  
385.22 to verify the income and tax identification information of:

385.23 (1) an applicant under section 245A.04, subdivision 1;

385.24 (2) an applicant under section 245I.20;

385.25 (3) an applicant under section 245H.03;

385.26 (4) a license holder; or

385.27 (5) a certification holder.

385.28 Sec. 38. **DIRECTION TO COMMISSIONER; LICENSING SYSTEM**  
385.29 **TRANSFORMATION.**

385.30 (a) The commissioner of human services must implement an integrated provider licensing  
385.31 hub for human services licensing that provides information about licensing, licensing

386.1 processes, and training to licensed providers and the public in multiple languages, including  
386.2 Spanish, Somali, and Hmong.

386.3 (b) The commissioner must establish a permanent cross-functional product team that  
386.4 includes staff from the Department of Human Services and MNIT services to implement  
386.5 the integrated provider licensing hub.

386.6 (c) The commissioner must execute a contract with an implementation contractor to  
386.7 configure the software and implement the provider licensing hub.

386.8 (d) The commissioner must execute a contract to implement an enterprise master data  
386.9 management solution that ensures that there is a single master record for each person, place,  
386.10 or program from across internal and external data sources and applications to promote  
386.11 accurate reporting, reduce data errors, remove redundancy, and facilitate data-driven  
386.12 decisions.

386.13 (e) The commissioner must develop a plan to create an enterprise single sign-on  
386.14 experience.

## 386.15 **ARTICLE 9**

### 386.16 **BEHAVIORAL HEALTH**

386.17 Section 1. **[245.0961] AFRICAN AMERICAN BEHAVIORAL HEALTH GRANT**  
386.18 **PROGRAM.**

386.19 Subdivision 1. **Establishment.** The commissioner of human services must establish an  
386.20 African American Behavioral Health grant program to offer culturally specific,  
386.21 comprehensive, trauma-informed, practice- and evidence-based, person- and family-centered  
386.22 mental health and substance use disorder treatment services.

386.23 Subd. 2. **Eligible applicants.** To be eligible for a grant under this section, applicants  
386.24 must be a nonprofit organization or a nongovernmental organization and must be a culturally  
386.25 specific mental health service provider that is a licensed community mental health center  
386.26 that specializes in services for African American children and families.

386.27 Subd. 3. **Application.** An organization seeking a grant under this section must apply to  
386.28 the commissioner at a time and in a manner specified by the commissioner.

386.29 Subd. 4. **Grant activities.** Grant money must be used to offer culturally specific,  
386.30 comprehensive, trauma-informed, practice- and evidence-based, person- and family-centered  
386.31 mental health and substance use disorder services. Grant money may also be used for

387.1 supervision and training, and care coordination regardless of a client's ability to pay or place  
387.2 of residence.

387.3 Subd. 5. **Reporting.** (a) The grantee must submit a report to the commissioner in a  
387.4 manner and on a timeline specified by the commissioner. The report must include how many  
387.5 clients were served with the grant money and, if grant money was used for supervision and  
387.6 training, how many providers were supervised or trained using the grant money.

387.7 (b) The commissioner must submit a report to the chairs and ranking minority members  
387.8 of the legislative committees with jurisdiction over behavioral health no later than six months  
387.9 after receiving the report under paragraph (a). The report submitted by the commissioner  
387.10 must include the information specified in paragraph (a).

387.11 Sec. 2. Minnesota Statutes 2022, section 245.4889, subdivision 1, is amended to read:

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

387.14 (1) counties;

387.15 (2) Indian Tribes;

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

387.17 (4) mental health service providers.

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

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

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

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

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

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

- 388.1 (6) children's mental health screening and follow-up diagnostic assessment and treatment;
- 388.2 (7) services to promote and develop the capacity of providers to use evidence-based
- 388.3 practices in providing children's mental health services;
- 388.4 (8) school-linked mental health services under section 245.4901;
- 388.5 (9) building evidence-based mental health intervention capacity for children birth to age
- 388.6 five;
- 388.7 (10) suicide prevention and counseling services that use text messaging statewide;
- 388.8 (11) mental health first aid training;
- 388.9 (12) training for parents, collaborative partners, and mental health providers on the
- 388.10 impact of adverse childhood experiences and trauma and development of an interactive
- 388.11 website to share information and strategies to promote resilience and prevent trauma;
- 388.12 (13) transition age services to develop or expand mental health treatment and supports
- 388.13 for adolescents and young adults 26 years of age or younger;
- 388.14 (14) early childhood mental health consultation;
- 388.15 (15) evidence-based interventions for youth at risk of developing or experiencing a first
- 388.16 episode of psychosis, and a public awareness campaign on the signs and symptoms of
- 388.17 psychosis;
- 388.18 (16) psychiatric consultation for primary care practitioners; ~~and~~
- 388.19 (17) providers to begin operations and meet program requirements when establishing a
- 388.20 new children's mental health program. ~~These may be start-up grants, including start-up~~
- 388.21 grants; and
- 388.22 (18) evidence-informed interventions for youth and young adults who are at risk of
- 388.23 developing a mood disorder or are experiencing an emerging mood disorder, including
- 388.24 major depression and bipolar disorders, and a public awareness campaign on the signs and
- 388.25 symptoms of mood disorders in youth and young adults.
- 388.26 (c) Services under paragraph (b) must be designed to help each child to function and
- 388.27 remain with the child's family in the community and delivered consistent with the child's
- 388.28 treatment plan. Transition services to eligible young adults under this paragraph must be
- 388.29 designed to foster independent living in the community.
- 388.30 (d) As a condition of receiving grant funds, a grantee shall obtain all available third-party
- 388.31 reimbursement sources, if applicable.

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

389.2 Sec. 3. **[245.4903] CULTURAL AND ETHNIC MINORITY INFRASTRUCTURE**  
389.3 **GRANT PROGRAM.**

389.4 **Subdivision 1. Establishment.** The commissioner of human services must establish a  
389.5 cultural and ethnic minority infrastructure grant program to ensure that mental health and  
389.6 substance use disorder treatment supports and services are culturally specific and culturally  
389.7 responsive to meet the cultural needs of communities served.

389.8 **Subd. 2. Eligible applicants.** An eligible applicant is a licensed entity or provider from  
389.9 a cultural or ethnic minority population who:

389.10 (1) provides mental health or substance use disorder treatment services and supports to  
389.11 individuals from cultural and ethnic minority populations, including members of those  
389.12 populations who identify as lesbian, gay, bisexual, transgender, or queer;

389.13 (2) provides, or is qualified and has the capacity to provide, clinical supervision and  
389.14 support to members of culturally diverse and ethnic minority communities so they may  
389.15 become qualified mental health and substance use disorder treatment providers; or

389.16 (3) has the capacity and experience to provide training for mental health and substance  
389.17 use disorder treatment providers on cultural competency and cultural humility.

389.18 **Subd. 3. Allowable grant activities.** (a) Grantees must engage in activities and provide  
389.19 supportive services to ensure and increase equitable access to culturally specific and  
389.20 responsive care and build organizational and professional capacity for licensure and  
389.21 certification for the communities served. Allowable grant activities include but are not  
389.22 limited to:

389.23 (1) providing workforce development activities focused on recruiting, supporting,  
389.24 training, and supervising mental health and substance use disorder practitioners and  
389.25 professionals from diverse racial, cultural, and ethnic communities;

389.26 (2) helping members of racial and ethnic minority communities become qualified mental  
389.27 health and substance use disorder professionals, practitioners, clinical supervisors, recovery  
389.28 peer specialists, mental health certified peer specialists, and mental health certified family  
389.29 peer specialists;

389.30 (3) providing culturally specific outreach, early intervention, trauma-informed services,  
389.31 and recovery support in mental health and substance use disorder services;

390.1 (4) providing trauma-informed and culturally responsive mental health and substance  
390.2 use disorder supports and services to children and families, youth, or adults who are from  
390.3 cultural and ethnic minority backgrounds and are uninsured or underinsured;

390.4 (5) expanding mental health and substance use disorder services, particularly in greater  
390.5 Minnesota;

390.6 (6) training mental health and substance use disorder treatment providers on cultural  
390.7 competency and cultural humility; and

390.8 (7) providing activities that increase the availability of culturally responsive mental  
390.9 health and substance use disorder services for children and families, youth, or adults, or  
390.10 that increase the availability of substance use disorder services for individuals from cultural  
390.11 and ethnic minorities in the state.

390.12 (b) The commissioner must assist grantees with meeting third-party credentialing  
390.13 requirements, and grantees must obtain all available third-party reimbursement sources as  
390.14 a condition of receiving grant money. Grantees must serve individuals from cultural and  
390.15 ethnic minority communities regardless of health coverage status or ability to pay.

390.16 Subd. 4. **Program evaluation requirements.** The commissioner must consult with the  
390.17 commissioner of management and budget on program outcomes, evaluation metrics, and  
390.18 progress indicators for the grant program under this section. The commissioner must only  
390.19 implement program outcomes, evaluation metrics, and progress indicators that are determined  
390.20 through and agreed upon during the consultation with the commissioner of management  
390.21 and budget. The commissioner shall not implement the grant program under this section  
390.22 until the consultation with the commissioner of management and budget is completed. The  
390.23 commissioner must incorporate agreed-upon program outcomes, evaluation metrics, and  
390.24 progress indicators into grant applications, requests for proposals, and any reports to the  
390.25 legislature.

390.26 **Sec. 4. [245.4904] EMERGING MOOD DISORDER GRANT PROGRAM.**

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

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

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

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

391.3 Subd. 2. **Activities.** (a) All emerging mood disorder grant program recipients must:

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

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

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

391.14 (4) use all available funding streams.

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

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

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

391.22 Subd. 4. **Program evaluation requirements.** The commissioner must consult with the  
391.23 commissioner of management and budget on program outcomes, evaluation metrics, and  
391.24 progress indicators for the grant program under this section. The commissioner must only  
391.25 implement program outcomes, evaluation metrics, and progress indicators that are determined  
391.26 through and agreed upon during the consultation with the commissioner of management  
391.27 and budget. The commissioner shall not implement the grant program under this section  
391.28 until the consultation with the commissioner of management and budget is completed. The  
391.29 commissioner must incorporate agreed-upon program outcomes, evaluation metrics, and  
391.30 progress indicators into grant applications, requests for proposals, and any reports to the  
391.31 legislature.

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

392.1 Sec. 5. Minnesota Statutes 2022, section 254B.02, subdivision 5, is amended to read:

392.2 Subd. 5. ~~Administrative adjustment~~ **Local agency allocation.** The commissioner may  
392.3 make payments to local agencies from money allocated under this section to support  
392.4 ~~administrative activities under sections 254B.03 and 254B.04~~ individuals with substance  
392.5 use disorders. The ~~administrative~~ payment must not exceed the lesser of: (1) five percent  
392.6 ~~of the first \$50,000, four percent of the next \$50,000, and three percent of the remaining~~  
392.7 ~~payments for services from the special revenue account according to subdivision 1; or (2)~~  
392.8 be less than 133 percent of the local agency ~~administrative~~ payment for the fiscal year ending  
392.9 June 30, 2009, adjusted in proportion to the statewide change in the appropriation for this  
392.10 chapter.

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

392.12 Sec. 6. Minnesota Statutes 2022, section 256B.0941, is amended by adding a subdivision  
392.13 to read:

392.14 Subd. 5. **Start-up and capacity-building grants.** (a) The commissioner shall establish  
392.15 start-up and capacity-building grants for psychiatric residential treatment facility sites.  
392.16 Start-up grants to prospective psychiatric residential treatment facility sites may be used  
392.17 for:

392.18 (1) administrative expenses;

392.19 (2) consulting services;

392.20 (3) Health Insurance Portability and Accountability Act of 1996 compliance;

392.21 (4) therapeutic resources, including evidence-based, culturally appropriate curriculums  
392.22 and training programs for staff and clients;

392.23 (5) allowable physical renovations to the property; and

392.24 (6) emergency workforce shortage uses, as determined by the commissioner.

392.25 (b) Start-up and capacity-building grants to prospective and current psychiatric residential  
392.26 treatment facilities may be used to support providers who treat and accept individuals with  
392.27 complex support needs, including but not limited to:

392.28 (1) neurocognitive disorders;

392.29 (2) co-occurring intellectual developmental disabilities;

392.30 (3) schizophrenia spectrum disorders;

392.31 (4) manifested or labeled aggressive behaviors; and



393.1 (5) manifested sexually inappropriate behaviors.

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

393.3 Sec. 7. **DIRECTION TO COMMISSIONER; CHANGES TO RESIDENTIAL ADULT**  
393.4 **MENTAL HEALTH PROGRAM LICENSING REQUIREMENTS.**

393.5 (a) The commissioner of human services must consult with stakeholders to determine  
393.6 the changes to residential adult mental health program licensing requirements in Minnesota  
393.7 Rules, parts 9520.0500 to 9520.0670, necessary to:

393.8 (1) update requirements for category I programs to align with current mental health  
393.9 practices, client rights for similar services, and health and safety needs of clients receiving  
393.10 services;

393.11 (2) remove category II classification and requirements; and

393.12 (3) add licensing requirements to the rule for the Forensic Mental Health Program.

393.13 (b) The commissioner must use existing authority in Minnesota Statutes, chapter 245A,  
393.14 to amend Minnesota Rules, parts 9520.0500 to 9520.0670, based on the stakeholder  
393.15 consultation in paragraph (a) and additional changes as determined by the commissioner.

393.16 Sec. 8. **LOCAL AGENCY SUBSTANCE USE DISORDER ALLOCATION.**

393.17 The commissioner of human services shall evaluate the ongoing need for local agency  
393.18 substance use disorder allocations under Minnesota Statutes, section 254B.02. The evaluation  
393.19 must include recommendations on whether local agency allocations should continue, and  
393.20 if so, must recommend what the purpose of the allocations should be and propose an updated  
393.21 allocation methodology that aligns with the purpose and person-centered outcomes for  
393.22 people experiencing substance use disorders and behavioral health conditions. The  
393.23 commissioner may contract with a vendor to support this evaluation through research and  
393.24 actuarial analysis.

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

393.26 Sec. 9. **MOBILE RESPONSE AND STABILIZATION SERVICES PILOT.**

393.27 The commissioner of human services shall establish a pilot to promote access to crisis  
393.28 response services and reduce psychiatric hospitalizations and out-of-home placement services  
393.29 for children, youth, and families. The pilot must incorporate a two-pronged approach to  
393.30 provide an immediate, face-to-face response within 60 minutes of a crisis as well as extended,  
393.31 longer-term supports for the family unit. The pilot must aim to help families respond to

394.1 children's behavioral health crises while bolstering resiliency and recovery within the family  
 394.2 unit. The commissioner must consult with a qualified expert entity to assist in the formulation  
 394.3 of measurable outcomes and explore and position the state to submit a Medicaid state plan  
 394.4 amendment to scale the model statewide.

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

394.6 Sec. 10. **RATE INCREASE FOR MENTAL HEALTH ADULT DAY TREATMENT.**

394.7 The commissioner of human services must increase the reimbursement rate for adult  
 394.8 day treatment under Minnesota Statutes, section 256B.0671, subdivision 3, by 50 percent  
 394.9 over the reimbursement rate in effect as of June 30, 2023.

394.10 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval,  
 394.11 whichever is later. The commissioner of human services shall notify the revisor of statutes  
 394.12 when federal approval is obtained.

## 394.13 **ARTICLE 10**

### 394.14 **ADDRESSING DEEP POVERTY**

394.15 Section 1. Minnesota Statutes 2022, section 256D.01, subdivision 1a, is amended to read:

394.16 Subd. 1a. **Standards.** (a) A principal objective in providing general assistance is to  
 394.17 provide for single adults, childless couples, or children as defined in section 256D.02,  
 394.18 subdivision 6, ineligible for federal programs who are unable to provide for themselves.  
 394.19 The minimum standard of assistance determines the total amount of the general assistance  
 394.20 grant without separate standards for shelter, utilities, or other needs.

394.21 (b) ~~The commissioner shall set the standard of assistance for an assistance unit consisting~~  
 394.22 ~~of an adult a recipient who is childless and unmarried or living apart from children and~~  
 394.23 ~~spouse and who does not live with a parent or parents or a legal custodian is the cash portion~~  
 394.24 ~~of the MFIP transitional standard for a single adult under section 256J.24, subdivision 5.~~  
 394.25 ~~When the other standards specified in this subdivision increase, this standard must also be~~  
 394.26 ~~increased by the same percentage.~~

394.27 (c) For an assistance unit consisting of a single adult who lives with a parent or parents,  
 394.28 the general assistance standard of assistance ~~is the amount that the aid to families with~~  
 394.29 ~~dependent children standard of assistance, in effect on July 16, 1996, would increase if the~~  
 394.30 ~~recipient were added as an additional minor child to an assistance unit consisting of the~~  
 394.31 ~~recipient's parent and all of that parent's family members, except that the standard may not~~  
 394.32 ~~exceed the standard for a general assistance recipient living alone is the cash portion of the~~

395.1 MFIP transitional standard for a single adult under section 256J.24, subdivision 5. Benefits  
 395.2 received by a responsible relative of the assistance unit under the Supplemental Security  
 395.3 Income program, a workers' compensation program, the Minnesota supplemental aid program,  
 395.4 or any other program based on the responsible relative's disability, and any benefits received  
 395.5 by a responsible relative of the assistance unit under the Social Security retirement program,  
 395.6 may not be counted in the determination of eligibility or benefit level for the assistance unit.  
 395.7 Except as provided below, the assistance unit is ineligible for general assistance if the  
 395.8 available resources or the countable income of the assistance unit and the parent or parents  
 395.9 with whom the assistance unit lives are such that a family consisting of the assistance unit's  
 395.10 parent or parents, the parent or parents' other family members and the assistance unit as the  
 395.11 only or additional minor child would be financially ineligible for general assistance. For  
 395.12 the purposes of calculating the countable income of the assistance unit's parent or parents,  
 395.13 the calculation methods must follow the provisions under section 256P.06.

395.14 (d) For an assistance unit consisting of a childless couple, the standards of assistance  
 395.15 are the same as the first and second adult standards of the aid to families with dependent  
 395.16 children program in effect on July 16, 1996. If one member of the couple is not included in  
 395.17 the general assistance grant, the standard of assistance for the other is the second adult  
 395.18 standard of the aid to families with dependent children program as of July 16, 1996.

395.19 **EFFECTIVE DATE.** This section is effective October 1, 2024.

395.20 Sec. 2. Minnesota Statutes 2022, section 256D.024, subdivision 1, is amended to read:

395.21 Subdivision 1. **Person convicted of drug offenses.** (a) ~~If An applicant or recipient~~  
 395.22 individual who has been convicted of a felony-level drug offense ~~after July 1, 1997, the~~  
 395.23 ~~assistance unit is ineligible for benefits under this chapter until five years after the applicant~~  
 395.24 ~~has completed terms of the court ordered sentence, unless the person is participating in a~~  
 395.25 ~~drug treatment program, has successfully completed a drug treatment program, or has been~~  
 395.26 ~~assessed by the county and determined not to be in need of a drug treatment program. Persons~~  
 395.27 ~~subject to the limitations of this subdivision who become eligible for assistance under this~~  
 395.28 ~~chapter shall~~ during the previous ten years from the date of application or recertification  
 395.29 may be subject to random drug testing as a condition of continued eligibility and shall lose  
 395.30 eligibility for benefits for five years beginning the month following: The county must  
 395.31 provide information about substance use disorder treatment programs to a person who tests  
 395.32 positive for an illegal controlled substance.

395.33 ~~(1) Any positive test result for an illegal controlled substance; or~~

395.34 ~~(2) discharge of sentence after conviction for another drug felony.~~

396.1 (b) For the purposes of this subdivision, "drug offense" means a conviction that occurred  
396.2 ~~after July 1, 1997, during the previous ten years from the date of application or recertification~~  
396.3 of sections 152.021 to 152.025, 152.0261, 152.0262, or 152.096. Drug offense also means  
396.4 a conviction in another jurisdiction of the possession, use, or distribution of a controlled  
396.5 substance, or conspiracy to commit any of these offenses, if the ~~offense~~ conviction occurred  
396.6 ~~after July 1, 1997, during the previous ten years from the date of application or recertification~~  
396.7 and the conviction is a felony offense in that jurisdiction, or in the case of New Jersey, a  
396.8 high misdemeanor.

396.9 **EFFECTIVE DATE.** This section is effective August 1, 2023.

396.10 Sec. 3. Minnesota Statutes 2022, section 256D.06, subdivision 5, is amended to read:

396.11 Subd. 5. **Eligibility; requirements.** (a) Any applicant, otherwise eligible for general  
396.12 assistance and possibly eligible for maintenance benefits from any other source shall (1)  
396.13 make application for those benefits within ~~30~~ 90 days of the general assistance application;  
396.14 and (2) execute an interim assistance agreement on a form as directed by the commissioner.

396.15 (b) The commissioner shall review a denial of an application for other maintenance  
396.16 benefits and may require a recipient of general assistance to file an appeal of the denial if  
396.17 appropriate. If found eligible for benefits from other sources, and a payment received from  
396.18 another source relates to the period during which general assistance was also being received,  
396.19 the recipient shall be required to reimburse the county agency for the interim assistance  
396.20 paid. Reimbursement shall not exceed the amount of general assistance paid during the time  
396.21 period to which the other maintenance benefits apply and shall not exceed the state standard  
396.22 applicable to that time period.

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

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

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

397.1 Sec. 4. Minnesota Statutes 2022, section 256D.44, subdivision 5, is amended to read:

397.2 Subd. 5. **Special needs.** (a) In addition to the state standards of assistance established  
397.3 in subdivisions 1 to 4, payments are allowed for the following special needs of recipients  
397.4 of Minnesota supplemental aid who are not residents of a nursing home, a regional treatment  
397.5 center, or a setting authorized to receive housing support payments under chapter 256I.

397.6 (b) The county agency shall pay a monthly allowance for medically prescribed diets if  
397.7 the cost of those additional dietary needs cannot be met through some other maintenance  
397.8 benefit. The need for special diets or dietary items must be prescribed by a licensed physician,  
397.9 advanced practice registered nurse, or physician assistant. Costs for special diets shall be  
397.10 determined as percentages of the allotment for a one-person household under the thrifty  
397.11 food plan as defined by the United States Department of Agriculture. The types of diets and  
397.12 the percentages of the thrifty food plan that are covered are as follows:

397.13 (1) high protein diet, at least 80 grams daily, 25 percent of thrifty food plan;

397.14 (2) controlled protein diet, 40 to 60 grams and requires special products, 100 percent of  
397.15 thrifty food plan;

397.16 (3) controlled protein diet, less than 40 grams and requires special products, 125 percent  
397.17 of thrifty food plan;

397.18 (4) low cholesterol diet, 25 percent of thrifty food plan;

397.19 (5) high residue diet, 20 percent of thrifty food plan;

397.20 (6) pregnancy and lactation diet, 35 percent of thrifty food plan;

397.21 (7) gluten-free diet, 25 percent of thrifty food plan;

397.22 (8) lactose-free diet, 25 percent of thrifty food plan;

397.23 (9) antidumping diet, 15 percent of thrifty food plan;

397.24 (10) hypoglycemic diet, 15 percent of thrifty food plan; or

397.25 (11) ketogenic diet, 25 percent of thrifty food plan.

397.26 (c) Payment for nonrecurring special needs must be allowed for necessary home repairs  
397.27 or necessary repairs or replacement of household furniture and appliances using the payment  
397.28 standard of the AFDC program in effect on July 16, 1996, for these expenses, as long as  
397.29 other funding sources are not available.

397.30 (d) A fee for guardian or conservator service is allowed at a reasonable rate negotiated  
397.31 by the county or approved by the court. This rate shall not exceed five percent of the

398.1 assistance unit's gross monthly income up to a maximum of \$100 per month. If the guardian  
398.2 or conservator is a member of the county agency staff, no fee is allowed.

398.3 (e) The county agency shall continue to pay a monthly allowance of \$68 for restaurant  
398.4 meals for a person who was receiving a restaurant meal allowance on June 1, 1990, and  
398.5 who eats two or more meals in a restaurant daily. The allowance must continue until the  
398.6 person has not received Minnesota supplemental aid for one full calendar month or until  
398.7 the person's living arrangement changes and the person no longer meets the criteria for the  
398.8 restaurant meal allowance, whichever occurs first.

398.9 (f) A fee of ~~ten percent of the recipient's gross income or \$25, whichever is less, equal~~  
398.10 to the maximum monthly amount allowed by the Social Security Administration is allowed  
398.11 for representative payee services provided by an agency that meets the requirements under  
398.12 SSI regulations to charge a fee for representative payee services. This special need is available  
398.13 to all recipients of Minnesota supplemental aid regardless of their living arrangement.

398.14 (g)(1) Notwithstanding the language in this subdivision, an amount equal to one-half of  
398.15 the maximum federal Supplemental Security Income payment amount for a single individual  
398.16 which is in effect on the first day of July of each year will be added to the standards of  
398.17 assistance established in subdivisions 1 to 4 for adults under the age of 65 who qualify as  
398.18 in need of housing assistance and are:

398.19 (i) relocating from an institution, a setting authorized to receive housing support under  
398.20 chapter 256I, or an adult mental health residential treatment program under section  
398.21 256B.0622;

398.22 (ii) eligible for personal care assistance under section 256B.0659; or

398.23 (iii) home and community-based waiver recipients living in their own home or rented  
398.24 or leased apartment.

398.25 (2) Notwithstanding subdivision 3, paragraph (c), an individual eligible for the shelter  
398.26 needy benefit under this paragraph is considered a household of one. An eligible individual  
398.27 who receives this benefit prior to age 65 may continue to receive the benefit after the age  
398.28 of 65.

398.29 (3) "Housing assistance" means that the assistance unit incurs monthly shelter costs that  
398.30 exceed 40 percent of the assistance unit's gross income before the application of this special  
398.31 needs standard. "Gross income" for the purposes of this section is the applicant's or recipient's  
398.32 income as defined in section 256D.35, subdivision 10, or the standard specified in subdivision  
398.33 3, paragraph (a) or (b), whichever is greater. A recipient of a federal or state housing subsidy,

399.1 that limits shelter costs to a percentage of gross income, shall not be considered in need of  
399.2 housing assistance for purposes of this paragraph.

399.3 **EFFECTIVE DATE.** This section is effective January 1, 2024.

399.4 Sec. 5. Minnesota Statutes 2022, section 256I.03, subdivision 7, is amended to read:

399.5 Subd. 7. **Countable income.** (a) "Countable income" means all income received by an  
399.6 applicant or recipient as described under section 256P.06, less any applicable exclusions or  
399.7 disregards. ~~For a recipient of any cash benefit from the SSI program, countable income~~  
399.8 ~~means the SSI benefit limit in effect at the time the person is a recipient of housing support,~~  
399.9 ~~less the medical assistance personal needs allowance under section 256B.35. If the SSI limit~~  
399.10 ~~or benefit is reduced for a person due to events other than receipt of additional income,~~  
399.11 ~~countable income means actual income less any applicable exclusions and disregards.~~

399.12 (b) For a recipient of any cash benefit from the SSI program who does not live in a  
399.13 setting described in section 256I.04, subdivision 2a, paragraph (b), clause (2), countable  
399.14 income equals the SSI benefit limit in effect at the time the person is a recipient of housing  
399.15 support, less the personal needs allowance under section 256B.35. If the SSI limit or benefit  
399.16 is reduced for a person due to events other than receipt of additional income, countable  
399.17 income equals actual income less any applicable exclusions and disregards.

399.18 (c) For a recipient of any cash benefit from the SSI program who lives in a setting as  
399.19 described in section 256I.04, subdivision 2a, paragraph (b), clause (2), countable income  
399.20 equals 30 percent of the SSI benefit limit in effect at the time a person is a recipient of  
399.21 housing support. If the SSI limit or benefit is reduced for a person due to events other than  
399.22 receipt of additional income, countable income equals 30 percent of the actual income less  
399.23 any applicable exclusions and disregards. For recipients under this paragraph, the personal  
399.24 needs allowance described in section 256B.35 does not apply.

399.25 (d) Notwithstanding the earned income disregard described in section 256P.03, for a  
399.26 recipient of unearned income as defined in section 256P.06, subdivision 3, clause (2), other  
399.27 than SSI and the general assistance personal needs allowance who lives in a setting described  
399.28 in section 256I.04, subdivision 2a, paragraph (b), clause (2), countable income equals 30  
399.29 percent of the recipient's total income after applicable exclusions and disregards. Total  
399.30 income includes any unearned income as defined in section 256P.06 and any earned income  
399.31 in the month the person is a recipient of housing support. For recipients under this paragraph,  
399.32 the personal needs allowance described in section 256B.35 does not apply.

400.1 (e) For a recipient who lives in a setting as described in section 256I.04, subdivision 2a,  
400.2 paragraph (b), clause (2), and receives general assistance, the personal needs allowance  
400.3 described in section 256B.35 is not countable unearned income.

400.4 **EFFECTIVE DATE.** This section is effective October 1, 2024.

400.5 Sec. 6. Minnesota Statutes 2022, section 256J.26, subdivision 1, is amended to read:

400.6 Subdivision 1. **Person convicted of drug offenses.** (a) An individual who has been  
400.7 convicted of a felony level drug offense ~~committed~~ during the previous ten years from the  
400.8 date of application or recertification is subject to the following:

400.9 (1) Benefits for the entire assistance unit must be paid in vendor form for shelter and  
400.10 utilities during any time the applicant is part of the assistance unit.

400.11 (2) The convicted applicant or participant ~~shall~~ may be subject to random drug testing  
400.12 ~~as a condition of continued eligibility and.~~ Following any positive test for an illegal controlled  
400.13 substance ~~is subject to the following sanctions;~~ the county must provide information about  
400.14 substance use disorder treatment programs to the applicant or participant.

400.15 ~~(i) for failing a drug test the first time, the residual amount of the participant's grant after~~  
400.16 ~~making vendor payments for shelter and utility costs, if any, must be reduced by an amount~~  
400.17 ~~equal to 30 percent of the MFIP standard of need for an assistance unit of the same size.~~  
400.18 ~~When a sanction under this subdivision is in effect, the job counselor must attempt to meet~~  
400.19 ~~with the person face to face. During the face to face meeting, the job counselor must explain~~  
400.20 ~~the consequences of a subsequent drug test failure and inform the participant of the right to~~  
400.21 ~~appeal the sanction under section 256J.40. If a face-to-face meeting is not possible, the~~  
400.22 ~~county agency must send the participant a notice of adverse action as provided in section~~  
400.23 ~~256J.31, subdivisions 4 and 5, and must include the information required in the face-to-face~~  
400.24 ~~meeting; or~~

400.25 ~~(ii) for failing a drug test two times, the participant is permanently disqualified from~~  
400.26 ~~receiving MFIP assistance, both the cash and food portions. The assistance unit's MFIP~~  
400.27 ~~grant must be reduced by the amount which would have otherwise been made available to~~  
400.28 ~~the disqualified participant. Disqualification under this item does not make a participant~~  
400.29 ~~ineligible for the Supplemental Nutrition Assistance Program (SNAP). Before a~~  
400.30 ~~disqualification under this provision is imposed, the job counselor must attempt to meet~~  
400.31 ~~with the participant face to face. During the face to face meeting, the job counselor must~~  
400.32 ~~identify other resources that may be available to the participant to meet the needs of the~~  
400.33 ~~family and inform the participant of the right to appeal the disqualification under section~~



401.1 ~~256J.40. If a face to face meeting is not possible, the county agency must send the participant~~  
401.2 ~~a notice of adverse action as provided in section 256J.31, subdivisions 4 and 5, and must~~  
401.3 ~~include the information required in the face to face meeting.~~

401.4 ~~(3) A participant who fails a drug test the first time and is under a sanction due to other~~  
401.5 ~~MFIP program requirements is considered to have more than one occurrence of~~  
401.6 ~~noncompliance and is subject to the applicable level of sanction as specified under section~~  
401.7 ~~256J.46, subdivision 1, paragraph (d).~~

401.8 (b) Applicants requesting only SNAP benefits or participants receiving only SNAP  
401.9 benefits, who have been convicted of a felony-level drug offense that occurred after July  
401.10 1, 1997, during the previous ten years from the date of application or recertification may,  
401.11 if otherwise eligible, receive SNAP benefits if. The convicted applicant or participant is  
401.12 may be subject to random drug testing as a condition of continued eligibility. Following a  
401.13 positive test for an illegal controlled substance, the applicant is subject to the following  
401.14 sanctions: county must provide information about substance use disorder treatment programs  
401.15 to the applicant or participant.

401.16 ~~(1) for failing a drug test the first time, SNAP benefits shall be reduced by an amount~~  
401.17 ~~equal to 30 percent of the applicable SNAP benefit allotment. When a sanction under this~~  
401.18 ~~clause is in effect, a job counselor must attempt to meet with the person face to face. During~~  
401.19 ~~the face to face meeting, a job counselor must explain the consequences of a subsequent~~  
401.20 ~~drug test failure and inform the participant of the right to appeal the sanction under section~~  
401.21 ~~256J.40. If a face to face meeting is not possible, a county agency must send the participant~~  
401.22 ~~a notice of adverse action as provided in section 256J.31, subdivisions 4 and 5, and must~~  
401.23 ~~include the information required in the face to face meeting; and~~

401.24 ~~(2) for failing a drug test two times, the participant is permanently disqualified from~~  
401.25 ~~receiving SNAP benefits. Before a disqualification under this provision is imposed, a job~~  
401.26 ~~counselor must attempt to meet with the participant face to face. During the face to face~~  
401.27 ~~meeting, the job counselor must identify other resources that may be available to the~~  
401.28 ~~participant to meet the needs of the family and inform the participant of the right to appeal~~  
401.29 ~~the disqualification under section 256J.40. If a face to face meeting is not possible, a county~~  
401.30 ~~agency must send the participant a notice of adverse action as provided in section 256J.31,~~  
401.31 ~~subdivisions 4 and 5, and must include the information required in the face to face meeting.~~

401.32 (c) For the purposes of this subdivision, "drug offense" means an offense a conviction  
401.33 that occurred during the previous ten years from the date of application or recertification  
401.34 of sections 152.021 to 152.025, 152.0261, 152.0262, 152.096, or 152.137. Drug offense

402.1 also means a conviction in another jurisdiction of the possession, use, or distribution of a  
402.2 controlled substance, or conspiracy to commit any of these offenses, if the ~~offense~~ conviction  
402.3 occurred during the previous ten years from the date of application or recertification and  
402.4 the conviction is a felony offense in that jurisdiction, or in the case of New Jersey, a high  
402.5 misdemeanor.

402.6 **EFFECTIVE DATE.** This section is effective August 1, 2023.

402.7 Sec. 7. Minnesota Statutes 2022, section 256P.01, is amended by adding a subdivision to  
402.8 read:

402.9 **Subd. 5a. Lived-experience engagement.** "Lived-experience engagement" means an  
402.10 intentional engagement of people with lived experience by a federal, Tribal, state, county,  
402.11 municipal, or nonprofit human services agency funded in part or in whole by federal, state,  
402.12 local government, Tribal Nation, public, private, or philanthropic money to gather and share  
402.13 feedback on the impact of human services programs.

402.14 Sec. 8. Minnesota Statutes 2022, section 256P.02, is amended by adding a subdivision to  
402.15 read:

402.16 **Subd. 4. Health and human services recipient engagement income.** Income received  
402.17 from lived-experience engagement, as defined in section 256P.01, subdivision 6, shall be  
402.18 excluded when determining the equity value of personal property.

402.19 Sec. 9. Minnesota Statutes 2022, section 256P.06, is amended by adding a subdivision to  
402.20 read:

402.21 **Subd. 4. Recipient engagement income.** Income received from lived-experience  
402.22 engagement, as defined in section 256P.01, subdivision 5a, must not be counted as income  
402.23 for purposes of determining or redetermining eligibility or benefits.

402.24 Sec. 10. Minnesota Statutes 2022, section 609B.425, subdivision 2, is amended to read:

402.25 **Subd. 2. Benefit eligibility.** (a) For general assistance benefits and Minnesota  
402.26 supplemental aid under chapter 256D, a person convicted of a felony-level drug offense  
402.27 after July 1, 1997, is ineligible for general assistance benefits and Supplemental Security  
402.28 Income under chapter 256D until: during the previous ten years from the date of application  
402.29 or recertification may be subject to random drug testing. The county must provide information  
402.30 about substance use disorder treatment programs to a person who tests positive for an illegal  
402.31 controlled substance.

403.1 ~~(1) five years after completing the terms of a court ordered sentence; or~~

403.2 ~~(2) unless the person is participating in a drug treatment program, has successfully~~  
 403.3 ~~completed a program, or has been determined not to be in need of a drug treatment program.~~

403.4 ~~(b) A person who becomes eligible for assistance under chapter 256D is subject to~~  
 403.5 ~~random drug testing and shall lose eligibility for benefits for five years beginning the month~~  
 403.6 ~~following:~~

403.7 ~~(1) any positive test for an illegal controlled substance; or~~

403.8 ~~(2) discharge of sentence for conviction of another drug felony.~~

403.9 ~~(e)~~ (b) Parole violators and fleeing felons are ineligible for benefits and persons  
 403.10 fraudulently misrepresenting eligibility are also ineligible to receive benefits for ten years.

403.11 **EFFECTIVE DATE.** This section is effective August 1, 2023.

403.12 Sec. 11. Minnesota Statutes 2022, section 609B.435, subdivision 2, is amended to read:

403.13 Subd. 2. **Drug offenders; random testing; sanctions.** A person who is an applicant for  
 403.14 benefits from the Minnesota family investment program or MFIP, the vehicle for temporary  
 403.15 assistance for needy families or TANF, and who has been convicted of a felony-level drug  
 403.16 offense ~~shall~~ may be subject to ~~certain conditions, including~~ random drug testing, ~~in order~~  
 403.17 ~~to receive MFIP benefits.~~ Following any positive test for a controlled substance, the ~~convicted~~  
 403.18 ~~applicant or participant is subject to the following sanctions:~~ county must provide information  
 403.19 about substance use disorder treatment programs to the applicant or participant.

403.20 ~~(1) a first time drug test failure results in a reduction of benefits in an amount equal to~~  
 403.21 ~~30 percent of the MFIP standard of need; and~~

403.22 ~~(2) a second time drug test failure results in permanent disqualification from receiving~~  
 403.23 ~~MFIP assistance.~~

403.24 ~~A similar disqualification sequence occurs if the applicant is receiving Supplemental Nutrition~~  
 403.25 ~~Assistance Program (SNAP) benefits.~~

403.26 **EFFECTIVE DATE.** This section is effective August 1, 2023.

## ARTICLE 11

## ECONOMIC ASSISTANCE

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Section 1. Minnesota Statutes 2022, section 119B.025, subdivision 4, is amended to read:

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

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

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

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

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

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

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

**EFFECTIVE DATE.** This section is effective March 1, 2025.

Sec. 2. Minnesota Statutes 2022, section 256D.03, is amended by adding a subdivision to read:

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

**EFFECTIVE DATE.** This section is effective March 1, 2025.

405.1 Sec. 3. Minnesota Statutes 2022, section 256D.63, subdivision 2, is amended to read:

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

405.8 **EFFECTIVE DATE.** This section is effective March 1, 2025.

405.9 Sec. 4. Minnesota Statutes 2022, section 256E.34, subdivision 4, is amended to read:

405.10 Subd. 4. **Use of money.** At least 96 percent of the money distributed to Hunger Solutions  
405.11 under this section must be distributed to food shelf programs to purchase, transport, and  
405.12 coordinate the distribution of nutritious food to needy individuals and families. The money  
405.13 distributed to food shelf programs may also be used to purchase personal hygiene products,  
405.14 including but not limited to diapers and toilet paper. No more than four percent of the money  
405.15 may be expended for other expenses, such as rent, salaries, and other administrative expenses  
405.16 of Hunger Solutions.

405.17 Sec. 5. **[256E.342] AMERICAN INDIAN FOOD SOVEREIGNTY FUNDING**  
405.18 **PROGRAM.**

405.19 Subdivision 1. **Establishment.** The American Indian food sovereignty funding program  
405.20 is established to improve access and equity to food security programs within Tribal and  
405.21 American Indian communities. The program shall assist Tribal Nations and American Indian  
405.22 communities in achieving self-determination and improve collaboration and partnership  
405.23 building between American Indian communities and the state. The commissioner of human  
405.24 services shall administer the program and provide outreach, technical assistance, and program  
405.25 development support to increase food security for American Indians.

405.26 Subd. 2. **Distribution of funding.** (a) The commissioner shall provide funding to support  
405.27 food system changes and provide equitable access to existing and new methods of food  
405.28 support for American Indian communities. The commissioner shall determine the timing  
405.29 and form of the application for the program.

405.30 (b) Eligible recipients of funding under this section include:

405.31 (1) federally recognized American Indian Tribes or bands in Minnesota as defined in  
405.32 section 10.65; or

406.1 (2) nonprofit organizations or fiscal sponsors with a majority American Indian board of  
406.2 directors.

406.3 (c) Funding for American Indian Tribes or Bands must be allocated by a formula  
406.4 determined by the commissioner. Funding for nonprofit organizations or fiscal sponsors  
406.5 must be awarded through a competitive grant process.

406.6 Subd. 3. **Allowable uses of money.** Recipients shall use money provided under this  
406.7 section to promote food security for American Indian communities by:

406.8 (1) planning for sustainable food systems;

406.9 (2) implementing food security programs, including but not limited to technology to  
406.10 facilitate no-contact or low-contact food distribution and outreach models;

406.11 (3) providing culturally relevant training for building food access;

406.12 (4) purchasing, producing, processing, transporting, storing, and coordinating the  
406.13 distribution of food, including culturally relevant food; and

406.14 (5) purchasing seeds, plants, equipment, or materials to preserve, procure, or grow food.

406.15 Subd. 4. **Reporting.** Recipients shall report on the use of American Indian food  
406.16 sovereignty funding program money under this section to the commissioner.

406.17 The commissioner shall determine the timing and form required for the reports.

406.18 Sec. 6. Minnesota Statutes 2022, section 256E.35, subdivision 1, is amended to read:

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

406.22 Sec. 7. Minnesota Statutes 2022, section 256E.35, subdivision 2, is amended to read:

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

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

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

406.27 (2) an area vocational education school, as defined in subparagraph (C) or (D) of United  
406.28 States Code, title 20, chapter 44, section 2302 (3) (the Carl D. Perkins Vocational and  
406.29 Applied Technology Education Act), which is located within any state, as defined in United

407.1 States Code, title 20, chapter 44, section 2302 (30). This clause is applicable only to the  
407.2 extent section 2302 is in effect on August 1, 2008.

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

407.5 (d) "Fiduciary organization" means:

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

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

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

407.11 (4) a federally recognized Tribal Nation; or

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

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

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

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

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

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

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

407.26 (h) "Permissible use" means:

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

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

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

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

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

408.9 (6) contributions to an emergency savings account; and

408.10 (7) contributions to a Minnesota 529 savings plan.

408.11 Sec. 8. Minnesota Statutes 2022, section 256E.35, subdivision 3, is amended to read:

408.12 Subd. 3. **Grants awarded.** The commissioner shall allocate funds to participating  
408.13 fiduciary organizations to provide family asset services. Grant awards must be based on a  
408.14 plan submitted by a statewide organization representing fiduciary organizations. The  
408.15 statewide organization must ensure that any interested unrepresented fiduciary organization  
408.16 have input into the development of the plan. The plan must equitably distribute funds to  
408.17 achieve geographic balance and document the capacity of participating fiduciary  
408.18 organizations to manage the program. A portion of funds appropriated for this section may  
408.19 be expended on evaluation of the Minnesota family assets for independence initiative.

408.20 Sec. 9. Minnesota Statutes 2022, section 256E.35, subdivision 4a, is amended to read:

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

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

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

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



409.1 Sec. 10. Minnesota Statutes 2022, section 256E.35, subdivision 6, is amended to read:

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

409.7 (b) The fiscal agent must ensure the household's custodial account contains the applicable  
409.8 matching funds to match the balance in the household's account, including interest, on at  
409.9 least a quarterly basis and at the time of an approved withdrawal. Matches must be a  
409.10 contribution of \$3 from state grant or TANF funds for every \$1 of funds withdrawn from  
409.11 the family asset account not to exceed a ~~\$6,000~~ \$12,000 lifetime limit.

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

409.16 (1) from state grant and TANF funds, a matching contribution of \$1.50 for every \$1 of  
409.17 funds withdrawn from the family asset account not to exceed a ~~\$3,000~~ \$6,000 lifetime limit;  
409.18 and

409.19 (2) from nonstate funds, a matching contribution of not less than \$1.50 for every \$1 of  
409.20 funds withdrawn from the family asset account not to exceed a ~~\$3,000~~ \$6,000 lifetime limit.

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

409.23 Sec. 11. Minnesota Statutes 2022, section 256E.35, subdivision 7, is amended to read:

409.24 Subd. 7. **Program reporting.** The fiscal agent on behalf of each fiduciary organization  
409.25 participating in a family assets for independence initiative must report quarterly to the  
409.26 commissioner of human services identifying the participants with accounts; the number of  
409.27 accounts; the amount of savings and matches for each participant's account; the uses of  
409.28 the account, ~~and~~ the number of businesses, homes, vehicles, and educational services paid  
409.29 for with money from the account; and the amount of contributions to Minnesota 529 savings  
409.30 plans and emergency savings accounts, as well as other information that may be required  
409.31 for the commissioner to administer the program and meet federal TANF reporting  
409.32 requirements.

410.1 Sec. 12. Minnesota Statutes 2022, section 256I.03, subdivision 13, is amended to read:

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

410.5 **EFFECTIVE DATE.** This section is effective March 1, 2025.

410.6 Sec. 13. Minnesota Statutes 2022, section 256I.06, subdivision 6, is amended to read:

410.7 Subd. 6. **Reports.** Recipients must report changes in circumstances according to section  
410.8 256P.07 ~~that affect eligibility or housing support payment amounts, other than changes in~~  
410.9 ~~earned income, within ten days of the change.~~ Recipients with countable earned income  
410.10 must complete a household report form ~~at least once every six months~~ according to section  
410.11 256P.10. ~~If the report form is not received before the end of the month in which it is due,~~  
410.12 ~~the county agency must terminate eligibility for housing support payments. The termination~~  
410.13 ~~shall be effective on the first day of the month following the month in which the report was~~  
410.14 ~~due. If a complete report is received within the month eligibility was terminated, the~~  
410.15 ~~individual is considered to have continued an application for housing support payment~~  
410.16 ~~effective the first day of the month the eligibility was terminated.~~

410.17 **EFFECTIVE DATE.** This section is effective March 1, 2025.

410.18 Sec. 14. Minnesota Statutes 2022, section 256I.06, is amended by adding a subdivision  
410.19 to read:

410.20 Subd. 6a. **When to terminate assistance.** An agency must terminate benefits when the  
410.21 assistance unit fails to submit the household report form before the end of the month in  
410.22 which it is due. The termination shall be effective on the first day of the month following  
410.23 the month in which the report was due. If the assistance unit submits the household report  
410.24 form within 30 days of the termination of benefits and remains eligible, benefits must be  
410.25 reinstated and made available retroactively for the full benefit month.

410.26 **EFFECTIVE DATE.** This section is effective March 1, 2025.

410.27 Sec. 15. Minnesota Statutes 2022, section 256I.06, subdivision 8, is amended to read:

410.28 Subd. 8. **Amount of housing support payment.** (a) The amount of a room and board  
410.29 payment to be made on behalf of an eligible individual is determined by subtracting the  
410.30 individual's countable income under section 256I.04, subdivision 1, for a whole calendar  
410.31 month from the room and board rate for that same month. The housing support payment is

411.1 determined by multiplying the housing support rate times the period of time the individual  
411.2 was a resident or temporarily absent under section 256I.05, subdivision 2a.

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

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

411.12 **EFFECTIVE DATE.** This section is effective March 1, 2025.

411.13 Sec. 16. Minnesota Statutes 2022, section 256J.08, subdivision 71, is amended to read:

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

411.17 **EFFECTIVE DATE.** This section is effective March 1, 2025.

411.18 Sec. 17. Minnesota Statutes 2022, section 256J.08, subdivision 79, is amended to read:

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

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

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

411.24 **EFFECTIVE DATE.** This section is effective March 1, 2025.

411.25 Sec. 18. Minnesota Statutes 2022, section 256J.11, subdivision 1, is amended to read:

411.26 Subdivision 1. **General citizenship requirements.** (a) To be eligible for MFIP, a member  
411.27 of the assistance unit must be a citizen of the United States, a qualified noncitizen as defined  
411.28 in section 256J.08, or a noncitizen who is otherwise residing lawfully in the United States.

411.29 (b) A qualified noncitizen who entered the United States on or after August 22, 1996,  
411.30 is eligible for MFIP. However, TANF dollars cannot be used to fund the MFIP benefits for

412.1 an individual under this paragraph for a period of five years after the date of entry unless  
412.2 the qualified noncitizen meets one of the following criteria:

412.3 (1) was admitted to the United States as a refugee under United States Code, title 8,  
412.4 section 1157;

412.5 (2) was granted asylum under United States Code, title 8, section 1158;

412.6 (3) was granted withholding of deportation under the United States Code, title 8, section  
412.7 1253(h);

412.8 (4) is a veteran of the United States armed forces with an honorable discharge for a  
412.9 reason other than noncitizen status, or is a spouse or unmarried minor dependent child of  
412.10 the same; or

412.11 (5) is an individual on active duty in the United States armed forces, other than for  
412.12 training, or is a spouse or unmarried minor dependent child of the same.

412.13 (c) A person who is not a qualified noncitizen but who is otherwise residing lawfully in  
412.14 the United States is eligible for MFIP. However, TANF dollars cannot be used to fund the  
412.15 MFIP benefits for an individual under this paragraph.

412.16 (d) For purposes of this subdivision, a nonimmigrant in one or more of the classes listed  
412.17 in United States Code, title 8, section 1101(a)(15)(A)-(S) and (V), or an undocumented  
412.18 immigrant who resides in the United States without the approval or acquiescence of the  
412.19 United States Citizenship and Immigration Services, is not eligible for MFIP.

412.20 **EFFECTIVE DATE.** This section is effective March 1, 2024, or upon federal approval,  
412.21 whichever is later. The commissioner of human services shall notify the revisor of statutes  
412.22 when federal approval is obtained.

412.23 Sec. 19. Minnesota Statutes 2022, section 256J.21, subdivision 3, is amended to read:

412.24 Subd. 3. **Initial income test.** (a) The agency shall determine initial eligibility by  
412.25 considering all earned and unearned income as defined in section 256P.06. To be eligible  
412.26 for MFIP, the assistance unit's countable income minus the earned income disregards in  
412.27 paragraph (a) and section 256P.03 must be below the family wage level according to section  
412.28 256J.24, subdivision 7, for that size assistance unit.

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

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

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

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

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

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

413.13 **EFFECTIVE DATE.** This section is effective March 1, 2025.

413.14 Sec. 20. Minnesota Statutes 2022, section 256J.21, subdivision 4, is amended to read:

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

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

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

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

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

414.1 (e) When income is both earned and unearned, the amount of the assistance payment  
 414.2 must be determined by first treating gross earned income as specified in paragraph (a). After  
 414.3 determining the amount of the assistance payment under paragraph (a), unearned income  
 414.4 must be subtracted from that amount dollar for dollar to determine the assistance payment  
 414.5 amount.

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

414.9 **EFFECTIVE DATE.** This section is effective March 1, 2025.

414.10 Sec. 21. Minnesota Statutes 2022, section 256J.33, subdivision 1, is amended to read:

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

414.15 ~~(b) Except as described in section 256J.34, subdivision 1, when prospective eligibility~~  
 414.16 ~~exists,~~ A county agency must calculate the amount of the assistance payment using  
 414.17 ~~retrospective~~ prospective budgeting. To determine MFIP eligibility and the assistance  
 414.18 payment amount, a county agency must apply countable income, described in sections  
 414.19 256P.06 and 256J.37, subdivisions 3 to ~~10~~ 9, received by members of an assistance unit or  
 414.20 by other persons whose income is counted for the assistance unit, described under sections  
 414.21 256J.37, subdivisions 1 to 2, and 256P.06, subdivision 1.

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

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

414.28 **EFFECTIVE DATE.** This section is effective March 1, 2025, except that the amendment  
 414.29 to paragraph (b) striking "10" and inserting "9" is effective July 1, 2024.

414.30 Sec. 22. Minnesota Statutes 2022, section 256J.33, subdivision 2, is amended to read:

414.31 Subd. 2. **Prospective eligibility.** An agency must determine whether the eligibility  
 414.32 requirements that pertain to an assistance unit, including those in sections 256J.11 to 256J.15

415.1 and 256P.02, will be met prospectively for the payment ~~month period~~. ~~Except for the~~  
415.2 ~~provisions in section 256J.34, subdivision 1,~~ The income test will be applied ~~retrospectively~~  
415.3 prospectively.

415.4 **EFFECTIVE DATE.** This section is effective March 1, 2025.

415.5 Sec. 23. Minnesota Statutes 2022, section 256J.35, is amended to read:

415.6 **256J.35 AMOUNT OF ASSISTANCE PAYMENT.**

415.7 Except as provided in paragraphs (a) to ~~(d)~~ (e), the amount of an assistance payment is  
415.8 equal to the difference between the MFIP standard of need or the Minnesota family wage  
415.9 level in section 256J.24 and countable income.

415.10 (a) Beginning July 1, 2015, MFIP assistance units are eligible for an MFIP housing  
415.11 assistance grant of \$110 per month, unless:

415.12 (1) the housing assistance unit is currently receiving public and assisted rental subsidies  
415.13 provided through the Department of Housing and Urban Development (HUD) and is subject  
415.14 to section 256J.37, subdivision 3a; or

415.15 (2) the assistance unit is a child-only case under section 256J.88.

415.16 (b) On October 1 of each year, the commissioner shall adjust the MFIP housing assistance  
415.17 grant in paragraph (a) for inflation based on the CPI-U for the prior calendar year.

415.18 (c) When MFIP eligibility exists for the month of application, the amount of the assistance  
415.19 payment for the month of application must be prorated from the date of application or the  
415.20 date all other eligibility factors are met for that applicant, whichever is later. This provision  
415.21 applies when an applicant loses at least one day of MFIP eligibility.

415.22 ~~(e)~~ (d) MFIP overpayments to an assistance unit must be recouped according to section  
415.23 256P.08, subdivision 6.

415.24 ~~(d)~~ (e) An initial assistance payment must not be made to an applicant who is not eligible  
415.25 on the date payment is made.

415.26 **EFFECTIVE DATE.** This section is effective October 1, 2024.

415.27 Sec. 24. Minnesota Statutes 2022, section 256J.37, subdivision 3, is amended to read:

415.28 Subd. 3. **Earned income of wage, salary, and contractual employees.** The agency  
415.29 must include gross earned income less any disregards in the initial ~~and monthly~~ income  
415.30 test. Gross earned income received by persons employed on a contractual basis must be

416.1 prorated over the period covered by the contract even when payments are received over a  
416.2 lesser period of time.

416.3 **EFFECTIVE DATE.** This section is effective March 1, 2025.

416.4 Sec. 25. Minnesota Statutes 2022, section 256J.37, subdivision 3a, is amended to read:

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

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

416.13 (1) age 60 or older;

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

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

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

416.25 **EFFECTIVE DATE.** This section is effective March 1, 2025.

416.26 Sec. 26. Minnesota Statutes 2022, section 256J.425, subdivision 1, is amended to read:

416.27 Subdivision 1. **Eligibility.** (a) To be eligible for a hardship extension, a participant in  
416.28 an assistance unit subject to the time limit under section 256J.42, subdivision 1, must ~~be in~~  
416.29 ~~compliance in the participant's 60th counted month. For purposes of determining eligibility~~  
416.30 ~~for a hardship extension, a participant is in compliance in any month that the participant~~  
416.31 ~~has not been sanctioned. In order to maintain eligibility for any of the hardship extension~~



417.1 ~~categories a participant shall~~ develop and comply with either an employment plan or a  
417.2 family stabilization services plan, whichever is appropriate.

417.3 (b) If one participant in a two-parent assistance unit is determined to be ineligible for a  
417.4 hardship extension, the county shall give the assistance unit the option of disqualifying the  
417.5 ineligible participant from MFIP. In that case, the assistance unit shall be treated as a  
417.6 one-parent assistance unit.

417.7 ~~(c) Prior to denying an extension, the county must review the sanction status and~~  
417.8 ~~determine whether the sanction is appropriate or if good cause exists under section 256J.57.~~  
417.9 ~~If the sanction was inappropriately applied or the participant is granted a good cause~~  
417.10 ~~exception before the end of month 60, the participant shall be considered for an extension.~~

417.11 **EFFECTIVE DATE.** This section is effective May 1, 2026.

417.12 Sec. 27. Minnesota Statutes 2022, section 256J.425, subdivision 4, is amended to read:

417.13 Subd. 4. **Employed participants.** (a) An assistance unit subject to the time limit under  
417.14 section 256J.42, subdivision 1, is eligible to receive assistance under a hardship extension  
417.15 if the participant who reached the time limit belongs to:

417.16 (1) a one-parent assistance unit in which the participant is participating in work activities  
417.17 for at least 30 hours per week, of which an average of at least 25 hours per week every  
417.18 month are spent participating in employment;

417.19 (2) a two-parent assistance unit in which the participants are participating in work  
417.20 activities for at least 55 hours per week, of which an average of at least 45 hours per week  
417.21 every month are spent participating in employment; or

417.22 (3) an assistance unit in which a participant is participating in employment for fewer  
417.23 hours than those specified in clause (1), and the participant submits verification from a  
417.24 qualified professional, in a form acceptable to the commissioner, stating that the number  
417.25 of hours the participant may work is limited due to illness or disability, as long as the  
417.26 participant is participating in employment for at least the number of hours specified by the  
417.27 qualified professional. The participant must be following the treatment recommendations  
417.28 of the qualified professional providing the verification. The commissioner shall develop a  
417.29 form to be completed and signed by the qualified professional, documenting the diagnosis  
417.30 and any additional information necessary to document the functional limitations of the  
417.31 participant that limit work hours. If the participant is part of a two-parent assistance unit,  
417.32 the other parent must be treated as a one-parent assistance unit for purposes of meeting the  
417.33 work requirements under this subdivision.

418.1 (b) For purposes of this section, employment means:

418.2 (1) unsubsidized employment under section 256J.49, subdivision 13, clause (1);

418.3 (2) subsidized employment under section 256J.49, subdivision 13, clause (2);

418.4 (3) on-the-job training under section 256J.49, subdivision 13, clause (2);

418.5 (4) an apprenticeship under section 256J.49, subdivision 13, clause (1);

418.6 (5) supported work under section 256J.49, subdivision 13, clause (2);

418.7 (6) a combination of clauses (1) to (5); or

418.8 (7) child care under section 256J.49, subdivision 13, clause (7), if it is in combination  
418.9 with paid employment.

418.10 (c) If a participant is complying with a child protection plan under chapter 260C, the  
418.11 number of hours required under the child protection plan count toward the number of hours  
418.12 required under this subdivision.

418.13 (d) The county shall provide the opportunity for subsidized employment to participants  
418.14 needing that type of employment within available appropriations.

418.15 ~~(e) To be eligible for a hardship extension for employed participants under this~~  
418.16 ~~subdivision, a participant must be in compliance for at least ten out of the 12 months the~~  
418.17 ~~participant received MFIP immediately preceding the participant's 61st month on assistance.~~  
418.18 ~~If ten or fewer months of eligibility for TANF assistance remain at the time the participant~~  
418.19 ~~from another state applies for assistance, the participant must be in compliance every month.~~

418.20 ~~(f)~~ (e) The employment plan developed under section 256J.521, subdivision 2, for  
418.21 participants under this subdivision must contain at least the minimum number of hours  
418.22 specified in paragraph (a) for the purpose of meeting the requirements for an extension  
418.23 under this subdivision. The job counselor and the participant must sign the employment  
418.24 plan to indicate agreement between the job counselor and the participant on the contents of  
418.25 the plan.

418.26 ~~(g)~~ (f) Participants who fail to meet the requirements in paragraph (a), without eligibility  
418.27 for another hardship extension or good cause under section 256J.57, shall be ~~sanctioned~~  
418.28 subject to sanction or ~~permanently disqualified under subdivision 6. Good cause may only~~  
418.29 ~~be granted for that portion of the month for which the good cause reason applies~~ case closure.  
418.30 Participants must meet all remaining requirements in the approved employment plan or be  
418.31 subject to sanction or ~~permanent disqualification~~ case closure.

419.1 ~~(h)~~ (g) If the noncompliance with an employment plan is due to the involuntary loss of  
419.2 employment, the participant is exempt from the hourly employment requirement under this  
419.3 subdivision for one month. Participants must meet all remaining requirements in the approved  
419.4 employment plan or be subject to sanction or ~~permanent disqualification~~ case closure if  
419.5 ineligible for another hardship extension.

419.6 **EFFECTIVE DATE.** This section is effective May 1, 2026.

419.7 Sec. 28. Minnesota Statutes 2022, section 256J.425, subdivision 5, is amended to read:

419.8 Subd. 5. **Accrual of certain exempt months.** (a) Participants who are not eligible for  
419.9 assistance under a hardship extension under this section shall be eligible for a hardship  
419.10 extension for a period of time equal to the number of months that were counted toward the  
419.11 60-month time limit while the participant was a caregiver with a child or an adult in the  
419.12 household who meets the disability or medical criteria for home care services under section  
419.13 256B.0651, subdivision 1, paragraph (c), or a home and community-based waiver services  
419.14 program under chapter 256B, or meets the criteria for severe emotional disturbance under  
419.15 section 245.4871, subdivision 6, or for serious and persistent mental illness under section  
419.16 245.462, subdivision 20, paragraph (c), and who was subject to the requirements in section  
419.17 256J.561, subdivision 2.

419.18 (b) A participant who received MFIP assistance that counted toward the 60-month time  
419.19 limit while the participant met the state time limit exemption criteria under section 256J.42,  
419.20 subdivision 4 or 5, is eligible for assistance under a hardship extension for a period of time  
419.21 equal to the number of months that were counted toward the 60-month time limit while the  
419.22 participant met the state time limit exemption criteria under section 256J.42, subdivision 4  
419.23 or 5.

419.24 (c) After the accrued months have been exhausted, the county agency must determine  
419.25 if the assistance unit is eligible for an extension under another extension category in  
419.26 subdivision 2, 3, or 4.

419.27 (d) At the time of the case review, a county agency must explain to the participant the  
419.28 basis for receiving a hardship extension based on the accrual of exempt months. The  
419.29 participant must provide documentation necessary to enable the county agency to determine  
419.30 whether the participant is eligible to receive a hardship extension based on the accrual of  
419.31 exempt months or authorize a county agency to verify the information.

419.32 ~~(e) While receiving extended MFIP assistance under this subdivision, a participant is~~  
419.33 ~~subject to the MFIP policies that apply to participants during the first 60 months of MFIP,~~

420.1 ~~unless the participant is a member of a two-parent family in which one parent is extended~~  
420.2 ~~under subdivision 3 or 4. For two-parent families in which one parent is extended under~~  
420.3 ~~subdivision 3 or 4, the sanction provisions in subdivision 6 shall apply.~~

420.4 **EFFECTIVE DATE.** This section is effective May 1, 2026.

420.5 Sec. 29. Minnesota Statutes 2022, section 256J.425, subdivision 7, is amended to read:

420.6 Subd. 7. **Status of disqualified participants closed cases.** (a) An assistance unit that  
420.7 ~~is disqualified~~ has its case closed under subdivision 6, paragraph (a), section 256J.46 may  
420.8 be approved for MFIP if the participant complies with MFIP program requirements and  
420.9 demonstrates compliance for up to one month. No assistance shall be paid during this period.

420.10 (b) An assistance unit that ~~is disqualified~~ has its case closed under subdivision 6,  
420.11 paragraph (a), section 256J.46 and that reapplies under paragraph (a) is subject to sanction  
420.12 under section 256J.46, subdivision 1, paragraph (c), ~~clause (1), for a first occurrence of~~  
420.13 ~~noncompliance. A subsequent occurrence of noncompliance results in a permanent~~  
420.14 ~~disqualification.~~

420.15 ~~(c) If one participant in a two-parent assistance unit receiving assistance under a hardship~~  
420.16 ~~extension under subdivision 3 or 4 is determined to be out of compliance with the~~  
420.17 ~~employment and training services requirements under sections 256J.521 to 256J.57, the~~  
420.18 ~~county shall give the assistance unit the option of disqualifying the noncompliant participant~~  
420.19 ~~from MFIP. In that case, the assistance unit shall be treated as a one-parent assistance unit~~  
420.20 ~~for the purposes of meeting the work requirements under subdivision 4. An applicant who~~  
420.21 ~~is disqualified from receiving assistance under this paragraph may reapply under paragraph~~  
420.22 ~~(a). If a participant is disqualified from MFIP under this subdivision a second time, the~~  
420.23 ~~participant is permanently disqualified from MFIP.~~

420.24 ~~(d)~~ (c) Prior to a disqualification case closure under this subdivision, a county agency  
420.25 must review the participant's case to determine if the employment plan is still appropriate  
420.26 and attempt to meet with the participant face-to-face. If a face-to-face meeting is not  
420.27 conducted, the county agency must send the participant a notice of adverse action as provided  
420.28 in section 256J.31. During the face-to-face meeting, the county agency must:

420.29 (1) determine whether the continued noncompliance can be explained and mitigated by  
420.30 providing a needed preemployment activity, as defined in section 256J.49, subdivision 13,  
420.31 clause (9);

420.32 (2) determine whether the participant qualifies for a good cause exception under section  
420.33 256J.57;

421.1 (3) inform the participant of the family violence waiver criteria and make appropriate  
421.2 referrals if the waiver is requested;

421.3 (4) inform the participant of the participant's sanction status and explain the consequences  
421.4 of continuing noncompliance;

421.5 (5) identify other resources that may be available to the participant to meet the needs of  
421.6 the family; and

421.7 (6) inform the participant of the right to appeal under section 256J.40.

421.8 **EFFECTIVE DATE.** This section is effective May 1, 2026.

421.9 Sec. 30. Minnesota Statutes 2022, section 256J.46, subdivision 1, is amended to read:

421.10 Subdivision 1. **Participants not complying with program requirements.** (a) A  
421.11 participant who fails without good cause under section 256J.57 to comply with the  
421.12 requirements of ~~this chapter~~ for orientation under section 256J.45, or employment and  
421.13 training services under sections 256J.515 to 256J.57, and who is not subject to a sanction  
421.14 under subdivision 2, shall be subject to a sanction or case closure as provided in this  
421.15 ~~subdivision~~ section. Good cause may only be granted for the month for which the good  
421.16 cause reason applies. Prior to the imposition of a sanction, a county agency shall provide a  
421.17 notice of intent to sanction under section 256J.57, subdivision 2, and, when applicable, a  
421.18 notice of adverse action as provided in section 256J.31, subdivision 5.

421.19 (b) A sanction under this subdivision becomes effective the month following the month  
421.20 in which a required notice is given. A sanction must not be imposed when a participant  
421.21 comes into compliance ~~with the requirements for orientation under section 256J.45~~ prior to  
421.22 the effective date of the sanction. ~~A sanction must not be imposed when a participant comes~~  
421.23 ~~into compliance with the requirements for employment and training services under sections~~  
421.24 ~~256J.515 to 256J.57 ten days prior to the effective date of the sanction.~~ For purposes of this  
421.25 subdivision, each month that a participant fails to comply with a requirement of this chapter  
421.26 shall be considered a separate occurrence of noncompliance. If both participants in a  
421.27 two-parent assistance unit are out of compliance at the same time, it is considered one  
421.28 occurrence of noncompliance.

421.29 (c) Sanctions for noncompliance ~~shall be imposed as follows:~~

421.30 ~~(1) For the first occurrence of noncompliance by a participant in an assistance unit, the~~  
421.31 ~~assistance unit's grant shall be reduced by ten percent of the MFIP standard of need for an~~  
421.32 ~~assistance unit of the same size with the residual grant paid to the participant. The reduction~~

422.1 ~~in the grant amount must be in effect for a minimum of one month and shall be removed in~~  
 422.2 ~~the month following the month that the participant returns to compliance.~~

422.3 (2) for a the first, second, third, fourth, fifth, or sixth consecutive occurrence of  
 422.4 noncompliance by a participant in an assistance unit, ~~the assistance unit's shelter costs shall~~  
 422.5 ~~be vendor paid up to the amount of the cash portion of the MFIP grant for which the~~  
 422.6 ~~assistance unit is eligible. At county option, the assistance unit's utilities may also be vendor~~  
 422.7 ~~paid up to the amount of the cash portion of the MFIP grant remaining after vendor payment~~  
 422.8 ~~of the assistance unit's shelter costs. The residual amount of the grant after vendor payment,~~  
 422.9 ~~if any, must be reduced by an amount are equal to 30 a reduction of five percent of the cash~~  
 422.10 ~~portion of the MFIP standard of need for an grant received by the assistance unit of the~~  
 422.11 ~~same size before the residual grant is paid to the assistance unit. The reduction in the grant~~  
 422.12 amount must be in effect for a minimum of one month and shall be removed in the month  
 422.13 following the month that the participant in a one-parent assistance unit returns to compliance,  
 422.14 unless the requirements in paragraph (h) are met. In a two-parent assistance unit, the grant  
 422.15 reduction must be in effect for a minimum of one month and shall be removed in the month  
 422.16 following the month both participants return to compliance, unless the requirements in  
 422.17 paragraph (h) are met. ~~The vendor payment of shelter costs and, if applicable, utilities shall~~  
 422.18 ~~be removed six months after the month in which the participant or participants return to~~  
 422.19 ~~compliance. When an assistance unit comes into compliance with the requirements in section~~  
 422.20 ~~256.741, or shows good cause under section 256.741, subdivision 10, or 256J.57, the sanction~~  
 422.21 ~~occurrences for that assistance unit shall be equal to zero sanctions. If an assistance unit is~~  
 422.22 sanctioned under this clause, the participant's case file must be reviewed to determine if the  
 422.23 employment plan is still appropriate.

422.24 (d) For a seventh consecutive occurrence of noncompliance by a participant in an  
 422.25 assistance unit, ~~or when the participants in a two-parent assistance unit have a total of seven~~  
 422.26 ~~occurrences of noncompliance~~, the county agency shall close the MFIP assistance unit's  
 422.27 financial assistance case, ~~both~~ including the cash and food portions, and redetermine the  
 422.28 family's ~~continued~~ eligibility for Supplemental Nutrition Assistance Program (SNAP)  
 422.29 payments. The MFIP case must remain closed for a minimum of one full month. Before the  
 422.30 case is closed, the county agency must review the participant's case to determine if the  
 422.31 employment plan is still appropriate and attempt to meet with the participant face-to-face.  
 422.32 The participant may bring an advocate to the face-to-face meeting. If a face-to-face meeting  
 422.33 is not conducted, the county agency must send the participant a written notice that includes  
 422.34 the information required under clause (1).

422.35 (1) During the face-to-face meeting, the county agency must:

423.1 (i) determine whether the continued noncompliance can be explained and mitigated by  
 423.2 providing a needed preemployment activity, as defined in section 256J.49, subdivision 13,  
 423.3 clause (9);

423.4 (ii) determine whether the participant qualifies for a good cause exception under section  
 423.5 256J.57, or if the sanction is for noncooperation with child support requirements, determine  
 423.6 if the participant qualifies for a good cause exemption under section 256.741, subdivision  
 423.7 10;

423.8 (iii) determine whether the work activities in the employment plan are appropriate based  
 423.9 on the criteria in section 256J.521, subdivision 2 or 3;

423.10 (iv) determine whether the participant qualifies for the family violence waiver;

423.11 (v) inform the participant of the participant's sanction status and explain the consequences  
 423.12 of continuing noncompliance;

423.13 (vi) identify other resources that may be available to the participant to meet the needs  
 423.14 of the family; and

423.15 (vii) inform the participant of the right to appeal under section 256J.40.

423.16 (2) If the lack of an identified activity or service can explain the noncompliance, the  
 423.17 county must work with the participant to provide the identified activity.

423.18 (3) The grant must be restored to the full amount for which the assistance unit is eligible  
 423.19 retroactively to the first day of the month in which the participant was found to lack  
 423.20 preemployment activities or to qualify for a family violence waiver or for a good cause  
 423.21 exemption under section 256.741, subdivision 10, or 256J.57.

423.22 (e) For the purpose of applying sanctions under this section, only consecutive occurrences  
 423.23 of noncompliance that occur ~~after July 1, 2003~~ on or after May 1, 2026, shall be considered  
 423.24 when counting the number of sanction occurrences under this subdivision. Active cases  
 423.25 under sanction on May 1, 2026, shall be considered to have one sanction occurrence. If the  
 423.26 participant is ~~in 30 percent sanction in the month this section takes effect, that month counts~~  
 423.27 ~~as the first occurrence for purposes of applying the sanctions under this section, but the~~  
 423.28 ~~sanction shall remain at 30 percent for that month~~ comes into compliance, the assistance  
 423.29 unit is considered to have zero sanctions.

423.30 (f) An assistance unit whose case is closed under paragraph (d) or (g), may reapply for  
 423.31 MFIP using a form prescribed by the commissioner and shall be eligible if the participant  
 423.32 complies with MFIP program requirements and demonstrates compliance for up to one  
 423.33 month. No assistance shall be paid during this period. The county agency shall not start a

424.1 new certification period for a participant who has submitted the reapplication form within  
424.2 30 calendar days of case closure. The county agency must process the form according to  
424.3 section 256P.04, except that the county agency shall not require additional verification of  
424.4 information in the case file unless the information is inaccurate, questionable, or no longer  
424.5 current. If a participant does not reapply for MFIP within 30 calendar days of case closure,  
424.6 a new application must be completed.

424.7 (g) An assistance unit whose case has been closed for noncompliance; that reapplies  
424.8 under paragraph (f); is subject to sanction under paragraph (c), ~~clause (2), for a first~~  
424.9 ~~occurrence of noncompliance. Any subsequent occurrence of noncompliance shall result~~  
424.10 ~~in~~ and case closure under paragraph (d).

424.11 (h) If an assistance unit is in compliance by the 15th of the month in which the assistance  
424.12 unit has a sanction imposed, the reduction to the assistance unit's cash grant shall be restored  
424.13 retroactively for the current month and the sanction occurrences shall be equal to zero.

424.14 **EFFECTIVE DATE.** This section is effective May 1, 2026.

424.15 Sec. 31. Minnesota Statutes 2022, section 256J.46, subdivision 2, is amended to read:

424.16 Subd. 2. **Sanctions for refusal to cooperate with support requirements.** The grant of  
424.17 an MFIP caregiver who refuses to cooperate, as determined by the child support enforcement  
424.18 agency, with support requirements under section 256.741, shall be subject to sanction as  
424.19 specified in this subdivision and subdivision 1. ~~For a first occurrence of noncooperation,~~  
424.20 ~~the assistance unit's grant must be reduced by 30 percent of the applicable MFIP standard~~  
424.21 ~~of need. Subsequent occurrences of noncooperation shall be subject to sanction under~~  
424.22 ~~subdivision 1, paragraphs (c), clause (2), and (d), paragraphs (b) to (h), except the assistance~~  
424.23 unit's cash portion of the grant must be reduced by 25 percent of the MFIP cash received  
424.24 by the assistance unit. The residual amount of the grant, if any, must be paid to the caregiver.  
424.25 A sanction under this subdivision becomes effective the first month following the month  
424.26 in which a required notice is given. A sanction must not be imposed when a caregiver comes  
424.27 into compliance with the requirements under section 256.741 prior to the effective date of  
424.28 the sanction. The sanction shall be removed in the month following the month that the  
424.29 caregiver cooperates with the support requirements, unless the requirements in subdivision  
424.30 1, paragraph (h), are met. Each month that an MFIP caregiver fails to comply with the  
424.31 requirements of section 256.741 must be considered a separate occurrence of noncompliance  
424.32 for the purpose of applying sanctions under subdivision 1, paragraphs (c), ~~clause (2), and~~  
424.33 (d).

424.34 **EFFECTIVE DATE.** This section is effective May 1, 2026.



425.1 Sec. 32. Minnesota Statutes 2022, section 256J.46, subdivision 2a, is amended to read:

425.2 Subd. 2a. **Dual sanctions.** (a) Notwithstanding the provisions of subdivisions 1 and 2,  
425.3 for a participant subject to a sanction for refusal to comply with child support requirements  
425.4 under subdivision 2 and subject to a concurrent sanction for refusal to cooperate with other  
425.5 program requirements under subdivision 1, sanctions shall be imposed in the manner  
425.6 prescribed in this subdivision.

425.7 ~~Any vendor payment of shelter costs or utilities under this subdivision must remain in~~  
425.8 ~~effect for six months after the month in which the participant is no longer subject to sanction~~  
425.9 ~~under subdivision 1.~~

425.10 ~~(b) If the participant was subject to sanction for:~~

425.11 ~~(1) noncompliance under subdivision 1 before being subject to sanction for~~  
425.12 ~~noncooperation under subdivision 2; or~~

425.13 ~~(2) noncooperation under subdivision 2 before being subject to sanction for~~  
425.14 ~~noncompliance under subdivision 1, the participant is considered to have a second occurrence~~  
425.15 ~~of noncompliance and shall be sanctioned as provided in subdivision 1, paragraph (c), clause~~  
425.16 ~~(2). Each subsequent occurrence of noncompliance shall be considered one additional~~  
425.17 ~~occurrence and shall be subject to the applicable level of sanction under subdivision 1. The~~  
425.18 ~~requirement that the county conduct a review as specified in subdivision 1, paragraph (d),~~  
425.19 ~~remains in effect.~~

425.20 ~~(e)~~ (b) A participant who first becomes subject to sanction under both subdivisions 1  
425.21 and 2 in the same month is subject to sanction as follows:

425.22 (1) in the first month of noncompliance and noncooperation, the participant's cash portion  
425.23 of the grant must be reduced by ~~30~~ 25 percent of the ~~applicable MFIP standard of need cash~~  
425.24 received by the assistance unit, with any residual amount paid to the participant;

425.25 (2) in the second and subsequent months of noncompliance and noncooperation, the  
425.26 participant shall be subject to the applicable level of sanction under subdivision 1.

425.27 The requirement that the county conduct a review as specified in subdivision 1, paragraph  
425.28 (d), remains in effect.

425.29 ~~(d)~~ (c) A participant remains subject to sanction under subdivision 2 if the participant:

425.30 (1) returns to compliance and is no longer subject to sanction for noncompliance with  
425.31 section 256J.45 or sections 256J.515 to 256J.57; or

426.1 (2) has the sanction for noncompliance with section 256J.45 or sections 256J.515 to  
426.2 256J.57 removed upon completion of the review under subdivision 1, paragraph (e).

426.3 A participant remains subject to the applicable level of sanction under subdivision 1 if  
426.4 the participant cooperates and is no longer subject to sanction under subdivision 2.

426.5 **EFFECTIVE DATE.** This section is effective May 1, 2026.

426.6 Sec. 33. Minnesota Statutes 2022, section 256J.95, subdivision 19, is amended to read:

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

426.14 **EFFECTIVE DATE.** This section is effective March 1, 2025.

426.15 Sec. 34. Minnesota Statutes 2022, section 256P.01, is amended by adding a subdivision  
426.16 to read:

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

426.19 **EFFECTIVE DATE.** This section is effective March 1, 2025.

426.20 Sec. 35. Minnesota Statutes 2022, section 256P.02, subdivision 2, is amended to read:

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

426.24 (1) cash not excluded under subdivision 4;

426.25 (2) bank accounts not excluded under subdivision 5;

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

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

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

427.1 Sec. 36. Minnesota Statutes 2022, section 256P.02, is amended by adding a subdivision  
427.2 to read:

427.3 Subd. 5. **Account exception.** Family asset accounts under section 256E.35 and individual  
427.4 development accounts authorized under the Assets for Independence Act, Title IV of the  
427.5 Community Opportunities, Accountability, and Training and Educational Services Human  
427.6 Services Reauthorization Act of 1998, Public Law 105-285, shall be excluded when  
427.7 determining the equity value of personal property.

427.8 Sec. 37. Minnesota Statutes 2022, section 256P.04, subdivision 4, is amended to read:

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

427.10 (1) identity of adults;

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

427.12 (3) immigration status;

427.13 (4) income;

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

427.15 (6) vehicles;

427.16 (7) checking and savings accounts, including but not limited to any business accounts  
427.17 used to pay expenses not related to the business;

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

427.19 (9) residence; and

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

427.21 ~~(11) use of nonrecurring income under section 256P.06, subdivision 3, clause (2), item~~  
427.22 ~~(ix), for the intended purpose for which it was given and received.~~

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

427.30 **EFFECTIVE DATE.** This section is effective July 1, 2024.

428.1 Sec. 38. Minnesota Statutes 2022, section 256P.04, subdivision 8, is amended to read:

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

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

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

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

428.7 **EFFECTIVE DATE.** This section is effective March 1, 2025.

428.8 Sec. 39. Minnesota Statutes 2022, section 256P.06, subdivision 3, is amended to read:

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

428.11 (1) earned income; and

428.12 (2) unearned income, which includes:

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

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

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

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

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

428.19 (vi) cash prizes and winnings;

428.20 (vii) unemployment insurance income that is received by an adult member of the

428.21 assistance unit unless the individual receiving unemployment insurance income is:

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

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

428.24 (viii) for the purposes of programs under chapters 256D and 256I, retirement, survivors,  
428.25 and disability insurance payments;

428.26 (ix) ~~nonrecurring income over \$60 per quarter unless the nonrecurring income is: (A)~~

428.27 ~~from tax refunds, tax rebates, or tax credits; (B) a reimbursement, rebate, award, grant, or~~

428.28 ~~refund of personal or real property or costs or losses incurred when these payments are~~

428.29 ~~made by: a public agency; a court; solicitations through public appeal; a federal, state, or~~

429.1 ~~local unit of government; or a disaster assistance organization; (C) provided as an in-kind~~  
 429.2 ~~benefit; or (D) earmarked and used for the purpose for which it was intended, subject to~~  
 429.3 ~~verification requirements under section 256P.04;~~

429.4 ~~(x)~~ retirement benefits;

429.5 ~~(xi)~~(x) cash assistance benefits, as defined by each program in chapters 119B, 256D,  
 429.6 256I, and 256J;

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

429.8 ~~(xiii)~~(xi) income from members of the United States armed forces unless excluded from  
 429.9 income taxes according to federal or state law;

429.10 ~~(xiv)~~(xii) for the purposes of programs under chapters 119B, 256D, and 256I, all child  
 429.11 support payments ~~for programs under chapters 119B, 256D, and 256I;~~

429.12 ~~(xv)~~(xiii) for the purposes of programs under chapter 256J, the amount of child support  
 429.13 received that exceeds \$100 for assistance units with one child and \$200 for assistance units  
 429.14 with two or more children ~~for programs under chapter 256J;~~

429.15 ~~(xvi)~~(xiv) spousal support; ~~and~~

429.16 ~~(xvii)~~(xv) workers' compensation; ~~and~~

429.17 (xvi) for the purposes of programs under chapters 119B and 256J, the amount of  
 429.18 retirement, survivors, and disability insurance payments that exceeds the applicable monthly  
 429.19 federal maximum Supplemental Security Income payments.

429.20 Sec. 40. Minnesota Statutes 2022, section 256P.07, subdivision 1, is amended to read:

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

429.25 **EFFECTIVE DATE.** This section is effective March 1, 2025.

429.26 Sec. 41. Minnesota Statutes 2022, section 256P.07, is amended by adding a subdivision  
 429.27 to read:

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

430.1 **EFFECTIVE DATE.** This section is effective March 1, 2025.

430.2 Sec. 42. Minnesota Statutes 2022, section 256P.07, subdivision 2, is amended to read:

430.3 Subd. 2. **Reporting requirements.** An applicant or participant must provide information  
 430.4 on an application and any subsequent reporting forms about the assistance unit's  
 430.5 circumstances that affect eligibility or benefits. An applicant or assistance unit must report  
 430.6 changes that affect eligibility or benefits as identified in subdivisions 3, 4, 5,  
 430.7 7, 8, and 9 during the application period or by the tenth of the month following the month  
 430.8 the assistance unit's circumstances changed. When information is not accurately reported,  
 430.9 both an overpayment and a referral for a fraud investigation may result. When information  
 430.10 or documentation is not provided, the receipt of any benefit may be delayed or denied,  
 430.11 depending on the type of information required and its effect on eligibility.

430.12 **EFFECTIVE DATE.** This section is effective March 1, 2025.

430.13 Sec. 43. Minnesota Statutes 2022, section 256P.07, subdivision 3, is amended to read:

430.14 Subd. 3. **Changes that must be reported.** ~~An assistance unit must report the changes~~  
 430.15 ~~or anticipated changes specified in clauses (1) to (12) within ten days of the date they occur,~~  
 430.16 ~~at the time of recertification of eligibility under section 256P.04, subdivisions 8 and 9, or~~  
 430.17 ~~within eight calendar days of a reporting period, whichever occurs first. An assistance unit~~  
 430.18 ~~must report other changes at the time of recertification of eligibility under section 256P.04,~~  
 430.19 ~~subdivisions 8 and 9, or at the end of a reporting period, as applicable. When an agency~~  
 430.20 ~~could have reduced or terminated assistance for one or more payment months if a delay in~~  
 430.21 ~~reporting a change specified under clauses (1) to (12) had not occurred, the agency must~~  
 430.22 ~~determine whether a timely notice could have been issued on the day that the change~~  
 430.23 ~~occurred. When a timely notice could have been issued, each month's overpayment~~  
 430.24 ~~subsequent to that notice must be considered a client error overpayment under section~~  
 430.25 ~~119B.11, subdivision 2a, or 256P.08. Changes in circumstances that must be reported within~~  
 430.26 ~~ten days must also be reported for the reporting period in which those changes occurred.~~  
 430.27 ~~Within ten days, an assistance unit must report:~~

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

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

- 431.1 ~~(3) a change in employment status and hours with the exception of a program under~~  
431.2 ~~chapter 119B;~~
- 431.3 ~~(4) a change in address or residence;~~
- 431.4 ~~(5) a change in household composition with the exception of programs under chapter~~  
431.5 ~~256I;~~
- 431.6 ~~(6) a receipt of a lump sum payment with the exception of a program under chapter~~  
431.7 ~~119B;~~
- 431.8 ~~(7) an increase in assets if over \$9,000 with the exception of programs under chapter~~  
431.9 ~~119B;~~
- 431.10 ~~(8) a change in citizenship or immigration status;~~
- 431.11 ~~(9) a change in family status with the exception of programs under chapter 256I;~~
- 431.12 ~~(10) a change in disability status of a unit member, with the exception of programs under~~  
431.13 ~~chapter 119B;~~
- 431.14 ~~(11) a new rent subsidy or a change in rent subsidy with the exception of a program~~  
431.15 ~~under chapter 119B; and~~
- 431.16 ~~(12) a sale, purchase, or transfer of real property with the exception of a program under~~  
431.17 ~~chapter 119B.~~
- 431.18 (a) An assistance unit must report changes or anticipated changes as described in this  
431.19 section.
- 431.20 (b) An assistance unit must report:
- 431.21 (1) a change in eligibility for Supplemental Security Income, Retirement Survivors  
431.22 Disability Insurance, or another federal income support;
- 431.23 (2) a change in address or residence;
- 431.24 (3) a change in household composition with the exception of programs under chapter  
431.25 256I;
- 431.26 (4) cash prizes and winnings according to guidance provided for the Supplemental  
431.27 Nutrition Assistance Program;
- 431.28 (5) a change in citizenship or immigration status;
- 431.29 (6) a change in family status with the exception of programs under chapter 256I; and
- 431.30 (7) a change that makes the value of the unit's assets at or above the asset limit.

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

432.7 **EFFECTIVE DATE.** This section is effective March 1, 2025, except that the amendment  
 432.8 striking clause (6) is effective July 1, 2024.

432.9 Sec. 44. Minnesota Statutes 2022, section 256P.07, subdivision 4, is amended to read:

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

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

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

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

432.17 **EFFECTIVE DATE.** This section is effective March 1, 2025.

432.18 Sec. 45. Minnesota Statutes 2022, section 256P.07, subdivision 6, is amended to read:

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

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

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

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

432.27 (4) a change in address or residence;

432.28 (5) a change in household composition;

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

432.30 (7) a change in family status.



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

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

433.5 **EFFECTIVE DATE.** This section is effective March 1, 2025.

433.6 Sec. 46. Minnesota Statutes 2022, section 256P.07, subdivision 7, is amended to read:

433.7 Subd. 7. **Minnesota supplemental aid-specific reporting.** (a) In addition to subdivision  
433.8 3, an assistance unit participating in the Minnesota supplemental aid program under ~~section~~  
433.9 ~~256D.44, subdivision 5, paragraph (g), within ten days of the change, chapter 256D and not~~  
433.10 receiving Supplemental Security Income must report ~~shelter expenses.:~~

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

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

433.13 (b) An assistance unit receiving housing assistance under section 256D.44, subdivision  
433.14 5, paragraph (g), including assistance units that also receive Supplemental Security Income,  
433.15 must report:

433.16 (1) a change in shelter expenses; and

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

433.18 **EFFECTIVE DATE.** This section is effective March 1, 2025.

433.19 Sec. 47. Minnesota Statutes 2022, section 256P.07, is amended by adding a subdivision  
433.20 to read:

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

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

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

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

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

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

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

434.4 **EFFECTIVE DATE.** This section is effective March 1, 2025.

434.5 Sec. 48. Minnesota Statutes 2022, section 256P.07, is amended by adding a subdivision  
434.6 to read:

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

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

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

434.13 (3) changes in any condition that would result in the loss of basis for eligibility in section  
434.14 256D.05, subdivision 1, paragraph (a).

434.15 **EFFECTIVE DATE.** This section is effective March 1, 2025.

434.16 Sec. 49. **[256P.09] PROSPECTIVE BUDGETING OF BENEFITS.**

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

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

434.24 **Subd. 3. Initial income.** For the purpose of determining an assistance unit's level of  
434.25 benefits, an agency must take into account the income already received by the assistance  
434.26 unit during or anticipated to be received during the application period. Income anticipated  
434.27 to be received only in the initial month of eligibility must only be counted in the initial  
434.28 month.

434.29 **Subd. 4. Income determination.** An agency must use prospective budgeting to determine  
434.30 the amount of the assistance unit's benefit for the eligibility period based on the best  
434.31 information available at the time of approval. An agency shall only count anticipated income

435.1 when the participant and the agency are reasonably certain of the amount of the payment  
435.2 and the month in which the payment will be received. If the exact amount of the income is  
435.3 not known, the agency shall consider only the amounts that can be anticipated as income.

435.4 Subd. 5. **Income changes.** An increase in income shall not affect an assistance unit's  
435.5 eligibility or benefit amount until the next review unless otherwise required to be reported  
435.6 in section 256P.07. A decrease in income shall be effective on the date that the change  
435.7 occurs if the change is reported by the tenth of the month following the month when the  
435.8 change occurred. If the assistance unit does not report the change in income by the tenth of  
435.9 the month following the month when the change occurred, the change in income shall be  
435.10 effective on the date the change was reported.

435.11 **EFFECTIVE DATE.** This section is effective March 1, 2025.

435.12 Sec. 50. **[256P.10] SIX-MONTH REPORTING.**

435.13 Subdivision 1. **Exempted programs.** Assistance units that qualify for child care  
435.14 assistance programs under chapter 119B, assistance units that qualify for Minnesota  
435.15 supplemental aid under chapter 256D, and assistance units that qualify for housing support  
435.16 under chapter 256I and also receive Supplemental Security Income are exempt from this  
435.17 section.

435.18 Subd. 2. **Reporting.** (a) Every six months, an assistance unit that qualifies for the  
435.19 Minnesota family investment program under chapter 256J, an assistance unit that qualifies  
435.20 for general assistance under chapter 256D with an earned income of \$100 per month or  
435.21 greater, or an assistance unit that qualifies for housing support under chapter 256I with an  
435.22 earned income of \$100 per month or greater is subject to six-month reviews. The initial  
435.23 reporting period may be shorter than six months in order to align with other programs'  
435.24 reporting periods.

435.25 (b) An assistance unit that qualifies for the Minnesota family investment program or an  
435.26 assistance unit that qualifies for general assistance with an earned income of \$100 per month  
435.27 or greater must complete household report forms as required by the commissioner for  
435.28 redetermination of benefits.

435.29 (c) An assistance unit that qualifies for housing support with an earned income of \$100  
435.30 per month or greater must complete household report forms as prescribed by the  
435.31 commissioner to provide information about earned income.

436.1 (d) An assistance unit that qualifies for housing support and also receives assistance  
436.2 through the Minnesota family investment program shall be subject to requirements of this  
436.3 section for purposes of the Minnesota family investment program but not for housing support.

436.4 (e) An assistance unit covered by this section must submit a household report form in  
436.5 compliance with the provisions in section 256P.04, subdivision 11.

436.6 (f) An assistance unit covered by this section may choose to report changes under this  
436.7 section at any time.

436.8 **Subd. 3. When to terminate assistance.** (a) An agency must terminate benefits when  
436.9 the assistance unit fails to submit the household report form before the end of the six-month  
436.10 review period. If the assistance unit submits the household report form within 30 days of  
436.11 the termination of benefits and remains eligible, benefits must be reinstated and made  
436.12 available retroactively for the full benefit month.

436.13 (b) When an assistance unit is determined to be ineligible for assistance according to  
436.14 this section and chapter 256D, 256I, or 256J, the agency must terminate assistance.

436.15 **EFFECTIVE DATE.** This section is effective March 1, 2025.

436.16 **Sec. 51. COUNTY WORKER TRAINING PROGRAM PILOT.**

436.17 (a) To the extent permitted under federal law, and subject to any necessary federal  
436.18 approval, the commissioner of human services must permit Anoka, Dakota, St. Louis, and  
436.19 Wright Counties to operate a 12-month pilot to provide the four-day mandated training  
436.20 under Minnesota Statutes, section 256.01, subdivision 2, paragraph (a), clause (1), for the  
436.21 MAXIS eligibility system and Supplemental Nutrition Assistance Program (SNAP) in-house.  
436.22 Counties shall be permitted to provide their own training under this section starting 30 days  
436.23 after receipt of necessary federal approval and only after receiving and agreeing to use the  
436.24 commissioner's training materials.

436.25 (b) The commissioner must provide oversight of the training program to ensure county  
436.26 training is consistent with current curriculum. The commissioner shall determine what  
436.27 oversight activities will be utilized. If there are changes in state or federal law governing  
436.28 SNAP or changes are made to MAXIS, counties must not provide training until they have  
436.29 received and agreed to use the updated curriculum provided by the commissioner.

436.30 (c) Counties must comply with all applicable state and federal training requirements,  
436.31 including but not limited to reporting requirements. In addition, no later than 120 days  
436.32 following completion of the pilot, each county permitted to conduct their own training under  
436.33 this section must report to the commissioner the following data:

437.1 (1) the number of classes offered during the pilot period;

437.2 (2) the number of workers trained during the pilot period; and

437.3 (3) the number of county staff who provided training during the pilot period.

437.4 (d) Nothing in this section shall prevent the commissioner from requiring the employees  
 437.5 of the counties participating in the pilot from receiving mandatory training provided by the  
 437.6 commissioner on subjects relating to data privacy and security awareness. Prior to receiving  
 437.7 any in-house training provided for in paragraph (a), any county employee must first receive  
 437.8 all training the commissioner requires pursuant to this section.

437.9 Sec. 52. **REPEALER.**

437.10 (a) Minnesota Statutes 2022, sections 256.9864; 256J.08, subdivisions 10, 53, 61, 62,  
 437.11 81, and 83; 256J.30, subdivisions 5, 7, and 8; 256J.33, subdivisions 3, 4, and 5; 256J.34,  
 437.12 subdivisions 1, 2, 3, and 4; and 256J.37, subdivision 10, are repealed.

437.13 (b) Minnesota Statutes 2022, section 256.8799, is repealed.

437.14 **EFFECTIVE DATE.** Paragraph (a) is effective March 1, 2025, except the repeal of  
 437.15 Minnesota Statutes 2022, sections 256J.08, subdivisions 53 and 62, and 256J.37, subdivision  
 437.16 10, is effective July 1, 2024. Paragraph (b) is effective May 1, 2026.

## 437.17 **ARTICLE 12**

### 437.18 **HOUSING AND HOMELESSNESS**

437.19 Section 1. Minnesota Statutes 2022, section 145.4716, subdivision 3, is amended to read:

437.20 Subd. 3. **Youth eligible for services.** Youth 24 years of age or younger ~~shall be~~ are  
 437.21 eligible for all services, support, and programs provided under this section and section  
 437.22 145.4717, and all shelter, housing beds, and services provided by the commissioner of  
 437.23 human services to sexually exploited youth and youth at risk of sexual exploitation under  
 437.24 section 256K.47.

437.25 Sec. 2. **[245.0963] CONTINUUM OF CARE GRANT PROGRAM.**

437.26 Subdivision 1. **Establishment.** The commissioner of human services must establish a  
 437.27 grant program to maintain funding for shelters and services provided to individuals  
 437.28 experiencing homelessness.

437.29 Subd. 2. **Eligible applicants.** To be eligible for a grant under this section, applicants  
 437.30 must be a nonprofit organization or a county. An eligible applicant must have experience

438.1 providing continuum of care services to individuals experiencing homelessness and operating  
438.2 a community-wide partnership committed to ending homelessness.

438.3 Subd. 3. **Application.** An organization seeking a grant under this section must apply to  
438.4 the commissioner in the time and manner specified by the commissioner.

438.5 Subd. 4. **Grant activities.** (a) Grant money must be used for:

438.6 (1) maintaining funding for a 100-bed family shelter;

438.7 (2) maintaining funding to provide shelter and services for single adults, including an  
438.8 expanded shelter for women;

438.9 (3) developing and operating a familiar faces pilot program for high-frequency unhoused  
438.10 clients with intensive, 24-hours-a-day, seven-days-a-week staffing;

438.11 (4) maintaining current day shelter programming; and

438.12 (5) providing outreach, support services, single point of entry, infrastructure, and extreme  
438.13 weather support.

438.14 (b) A grantee may contract with eligible nonprofit organizations and local and Tribal  
438.15 governmental agencies to provide the services listed under paragraph (a).

438.16 Subd. 5. **Reporting.** (a) The grantee must submit a report to the commissioner in the  
438.17 time and manner specified by the commissioner. The report must include how the grant  
438.18 money was used and how many individuals were served.

438.19 (b) The commissioner must submit a report to the chairs and ranking minority members  
438.20 of the legislative committees with jurisdiction over homelessness no later than six months  
438.21 after receiving the report under paragraph (a). The report submitted by the commissioner  
438.22 must include the information specified in paragraph (a).

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

438.24 Sec. 3. **[245.0965] OLMSTED COUNTY HOMELESSNESS GRANT PROGRAM.**

438.25 Subdivision 1. **Establishment.** The commissioner of human services must establish a  
438.26 grant program to fund and support shelters and services for persons experiencing  
438.27 homelessness in Olmsted County.

438.28 Subd. 2. **Eligible applicants.** To be eligible for a grant under this section, applicants  
438.29 must be a nonprofit organization or a county that provides shelter and services to persons  
438.30 experiencing homelessness in Olmsted County. An eligible applicant must have experience

439.1 with services that house persons experiencing homelessness and aid transitions to permanent  
439.2 stable housing.

439.3 Subd. 3. **Application.** An organization seeking a grant under this section must apply to  
439.4 the commissioner in the time and manner specified by the commissioner.

439.5 Subd. 4. **Grant activities.** (a) Eligible uses of grant money include:

439.6 (1) operations and services to maintain daytime and overnight shelter;

439.7 (2) recuperative care shelter;

439.8 (3) housing-focused case management for persons experiencing homelessness;

439.9 (4) shelter diversion services;

439.10 (5) hotel and motel vouchers;

439.11 (6) shelter for youth, including host homes;

439.12 (7) transitional housing programs;

439.13 (8) supportive staffing; and

439.14 (9) outreach services.

439.15 (b) The grantee may contract with eligible nonprofit organizations and local and Tribal  
439.16 governmental agencies to provide the services specified under paragraph (a).

439.17 Subd. 5. **Reporting.** (a) The grantee must submit a report to the commissioner in the  
439.18 time and manner specified by the commissioner. The report must include the number of  
439.19 persons experiencing homelessness that were served and what the grant money was used  
439.20 for.

439.21 (b) The commissioner must submit a report to the chairs and ranking minority members  
439.22 of the legislative committees with jurisdiction over homelessness no later than six months  
439.23 after receiving the report under paragraph (a). The report submitted by the commissioner  
439.24 must include the information specified in paragraph (a).

439.25 Sec. 4. **[245.0966] HENNEPIN COUNTY HOMELESSNESS GRANT PROGRAM.**

439.26 Subdivision 1. **Establishment.** The commissioner of human services must establish a  
439.27 grant program to maintain funding for shelters and services provided to individuals  
439.28 experiencing homelessness in Hennepin County.

439.29 Subd. 2. **Eligible applicants.** To be eligible for a grant under this section, applicants  
439.30 must be a nonprofit organization or a county that provides shelter and services to persons

440.1 experiencing homelessness in Hennepin County. An eligible applicant must have experience  
440.2 with services that house persons experiencing homelessness and aid transitions to permanent,  
440.3 stable housing.

440.4 Subd. 3. **Application.** An organization seeking a grant under this section must apply to  
440.5 the commissioner in the time and manner specified by the commissioner.

440.6 Subd. 4. **Grant activities.** (a) Grant money must be used for:

440.7 (1) maintaining current shelter and homeless response programming;

440.8 (2) maintaining shelter operations and services at Avivo Village, including the shelter  
440.9 comprised of 100 private dwellings and the American Indian Community Development  
440.10 Corporation Homeward Bound 50-bed shelter;

440.11 (3) maintaining shelter operations and services at 24-hours-a-day, seven-days-a-week  
440.12 shelters;

440.13 (4) providing housing-focused case management; and

440.14 (5) providing shelter diversion services.

440.15 (b) A grantee may contract with eligible nonprofit organizations and local and Tribal  
440.16 governmental agencies to provide the services listed under paragraph (a).

440.17 Subd. 5. **Reporting.** (a) The grantee must submit a report to the commissioner in the  
440.18 time and manner specified by the commissioner. The report must include how the grant  
440.19 money was used and how many persons experiencing homelessness were served.

440.20 (b) The commissioner must submit a report to the chairs and ranking minority members  
440.21 of the legislative committees with jurisdiction over homelessness no later than six months  
440.22 after receiving the report under paragraph (a). The report submitted by the commissioner  
440.23 must include the information specified in paragraph (a).

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

440.25 Sec. 5. Minnesota Statutes 2022, section 256I.04, subdivision 1, is amended to read:

440.26 Subdivision 1. **Individual eligibility requirements.** An individual is eligible for and  
440.27 entitled to a housing support payment to be made on the individual's behalf if the agency  
440.28 has approved the setting where the individual will receive housing support and the individual  
440.29 meets the requirements in paragraph (a), (b), ~~(c)~~, or (d).

440.30 (a) The individual is aged, blind, or is over 18 years of age with a disability as determined  
440.31 under the criteria used by the title II program of the Social Security Act, and meets the



441.1 resource restrictions and standards of section 256P.02, and the individual's countable income  
441.2 after deducting the (1) exclusions and disregards of the SSI program, (2) the medical  
441.3 assistance personal needs allowance under section 256B.35, and (3) an amount equal to the  
441.4 income actually made available to a community spouse by an elderly waiver participant  
441.5 under the provisions of sections 256B.0575, paragraph (a), clause (4), and 256B.058,  
441.6 subdivision 2, is less than the monthly rate specified in the agency's agreement with the  
441.7 provider of housing support in which the individual resides.

441.8 (b) The individual meets a category of eligibility under section 256D.05, subdivision 1,  
441.9 paragraph (a), clauses (1), (3), (4) to (8), and (13), and paragraph (b), if applicable, and the  
441.10 individual's resources are less than the standards specified by section 256P.02, and the  
441.11 individual's countable income as determined under section 256P.06, less the medical  
441.12 assistance personal needs allowance under section 256B.35 is less than the monthly rate  
441.13 specified in the agency's agreement with the provider of housing support in which the  
441.14 individual resides.

441.15 (c) The individual lacks a fixed, adequate, nighttime residence upon discharge from a  
441.16 residential behavioral health treatment program, as determined by treatment staff from the  
441.17 residential behavioral health treatment program. An individual is eligible under this paragraph  
441.18 for up to three months, including a full or partial month from the individual's move-in date  
441.19 at a setting approved for housing support following discharge from treatment, plus two full  
441.20 months.

441.21 (d) The individual meets the criteria related to establishing a certified disability or  
441.22 disabling condition in paragraph (a) or (b) and lacks a fixed, adequate, nighttime residence  
441.23 upon discharge from a correctional facility, as determined by an authorized representative  
441.24 from a Minnesota-based correctional facility. An individual is eligible under this paragraph  
441.25 for up to three months, including a full or partial month from the individual's move-in date  
441.26 at a setting approved for housing support following release, plus two full months. People  
441.27 who meet the disabling condition criteria established in paragraph (a) or (b) will not have  
441.28 any countable income for the duration of eligibility under this paragraph.

441.29 Sec. 6. **[256K.47] SAFE HARBOR SHELTER AND HOUSING.**

441.30 Subdivision 1. **Grant program established.** The commissioner of human services must  
441.31 establish a safe harbor shelter and housing grant program. Under this grant program, the  
441.32 commissioner must award grants to providers who are committed to serving sexually  
441.33 exploited youth and youth at risk of sexual exploitation. Grantees must use grant money to  
441.34 provide street and community outreach programs, emergency shelter programs, or supportive

442.1 housing programs consistent with the program descriptions in this section to address the  
442.2 specialized outreach, shelter, and housing needs of sexually exploited youth and youth at  
442.3 risk of sexual exploitation.

442.4 Subd. 2. **Youth eligible services.** Youth 24 years of age or younger are eligible for all  
442.5 shelter, housing beds, and services provided under this section and all services, support,  
442.6 and programs provided by the commissioner of health to sexually exploited youth and youth  
442.7 at risk of sexual exploitation under sections 145.4716 and 145.4717.

442.8 Subd. 3. **Street and community outreach.** (a) Street and community outreach programs  
442.9 must locate, contact, and provide information, referrals, and services to eligible youth.

442.10 (b) Information, referrals, and services provided by street and community outreach  
442.11 programs may include but are not limited to:

442.12 (1) family reunification services;

442.13 (2) conflict resolution or mediation counseling;

442.14 (3) assistance in obtaining temporary emergency shelter;

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

442.16 (5) counseling regarding violence, sexual exploitation, substance use, sexually transmitted  
442.17 infections, and pregnancy;

442.18 (6) referrals to other agencies that provide support services to sexually exploited youth  
442.19 and youth at risk of sexual exploitation;

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

442.21 (8) aftercare services;

442.22 (9) specialized services for sexually exploited youth and youth at risk of sexual  
442.23 exploitation, including youth experiencing homelessness and youth with mental health  
442.24 needs; and

442.25 (10) services to address the prevention of sexual exploitation and homelessness.

442.26 Subd. 4. **Emergency shelter program.** (a) Emergency shelter programs must provide  
442.27 eligible youth with referral and walk-in access to emergency short-term residential care.

442.28 The program shall provide eligible youth with safe and dignified shelter that includes private  
442.29 shower facilities, beds, and meals each day and must assist eligible youth with reunification  
442.30 with that youth's family or legal guardian when required or appropriate.

442.31 (b) The services provided at emergency shelters may include but are not limited to:

- 443.1 (1) specialized services to address the trauma of sexual exploitation;
- 443.2 (2) family reunification services;
- 443.3 (3) individual, family, and group counseling;
- 443.4 (4) assistance obtaining clothing;
- 443.5 (5) access to medical and dental care and mental health counseling;
- 443.6 (6) counseling regarding violence, sexual exploitation, substance use, sexually transmitted
- 443.7 infections, and pregnancy;
- 443.8 (7) education and employment services;
- 443.9 (8) recreational activities;
- 443.10 (9) advocacy and referral services;
- 443.11 (10) independent living skills training;
- 443.12 (11) aftercare and follow-up services;
- 443.13 (12) transportation; and
- 443.14 (13) services to address the prevention of sexual exploitation and homelessness.
- 443.15 **Subd. 5. Supportive housing programs.** (a) Supportive housing programs must help
- 443.16 eligible youth find and maintain safe and dignified housing and provide related supportive
- 443.17 services and referrals. Supportive housing programs may also provide rental assistance.
- 443.18 (b) The services provided in supportive housing programs may include but are not limited
- 443.19 to:
- 443.20 (1) specialized services to address the trauma of sexual exploitation;
- 443.21 (2) education and employment services;
- 443.22 (3) budgeting and money management;
- 443.23 (4) assistance in securing housing appropriate to needs and income;
- 443.24 (5) counseling regarding violence, sexual exploitation, substance use, sexually transmitted
- 443.25 infections, and pregnancy;
- 443.26 (6) referral for medical services or chemical dependency treatment;
- 443.27 (7) parenting skills;
- 443.28 (8) self-sufficiency support services and independent living skills training;

444.1 (9) aftercare and follow-up services; and

444.2 (10) services to address the prevention of sexual exploitation and homelessness  
444.3 prevention.

444.4 Subd. 6. **Funding.** Money appropriated for this section may be expended on programs  
444.5 described in subdivisions 3 to 5, technical assistance, and capacity building to meet the  
444.6 greatest need on a statewide basis.

444.7 **Sec. 7. [256K.50] FAMILY SUPPORTIVE HOUSING.**

444.8 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

444.9 (b) "Family" means a nontemporary household unit that includes at least one child and  
444.10 one parent or legal guardian.

444.11 (c) "Family permanent supportive housing" means housing that:

444.12 (1) is not time limited;

444.13 (2) is affordable for those at or below 30 percent of the area median income;

444.14 (3) offers specialized support services to residents tailored to the needs of children and  
444.15 families; and

444.16 (4) is available to families with multiple barriers to obtaining and maintaining housing,  
444.17 including but not limited to those who are homeless or at risk of homelessness; those with  
444.18 mental illness, substance use disorders, and other disabilities; and those referred by child  
444.19 protection services.

444.20 (d) "Resident" means a resident of family permanent supportive housing.

444.21 Subd. 2. **Specialized family support services.** Specialized family support services are  
444.22 nonmandatory, trauma-informed, and culturally appropriate services designed to help family  
444.23 residents maintain secure, dignified housing and provide a safe, stable environment for  
444.24 children. Services provided may include but are not limited to:

444.25 (1) age-appropriate child-centric services for education and enrichment;

444.26 (2) stabilization services such as:

444.27 (i) educational assessments and referrals to educational programs;

444.28 (ii) career planning, work skill training, job placement, and employment retention;

444.29 (iii) budgeting and money management;

444.30 (iv) referrals for counseling regarding violence and sexual exploitation;

445.1 (v) referrals for medical or psychiatric services or substance use disorder treatment;

445.2 (vi) parenting skills training;

445.3 (vii) self-sufficiency support services or life skill training, including tenant education

445.4 and support to sustain housing; and

445.5 (viii) aftercare and follow-up services; and

445.6 (3) 24-hour-a-day, seven-days-a-week on-site staffing, including but not limited to front

445.7 desk and security.

445.8 Subd. 3. **Funding.** Money appropriated for this section may be expended on programs

445.9 described under subdivision 2, technical assistance, and capacity building to meet the greatest

445.10 need on a statewide basis. The commissioner must provide outreach, technical assistance,

445.11 and program development support to increase capacity to new and existing service providers

445.12 to better meet needs statewide.

445.13 Sec. 8. Laws 2021, First Special Session chapter 7, article 17, section 5, subdivision 1, is

445.14 amended to read:

445.15 Subdivision 1. **Housing transition cost.** (a) This act includes \$682,000 in fiscal year

445.16 2022 and \$1,637,000 in fiscal year 2023 for a onetime payment per transition of up to \$3,000

445.17 to cover costs associated with moving to a community setting that are not covered by other

445.18 sources. Covered costs include: (1) lease or rent deposits; (2) security deposits; (3) utilities

445.19 setup costs, including telephone and Internet services; and (4) essential furnishings and

445.20 supplies. The commissioner of human services shall seek an amendment to the medical

445.21 assistance state plan to allow for these payments as a housing stabilization service under

445.22 Minnesota Statutes, section 256B.051. The general fund base in this act for this purpose is

445.23 \$1,227,000 in fiscal year 2024 and \$0 in fiscal year 2025.

445.24 ~~(b) This subdivision expires March 31, 2024.~~

445.25 (b) An individual is only eligible for a housing transition cost payment if the individual

445.26 is moving from an institution or provider-controlled setting into their own home.

445.27 **EFFECTIVE DATE.** This section is effective upon federal approval.

445.28 Sec. 9. **HOMELESS YOUTH CASH STIPEND PILOT PROJECT.**

445.29 Subdivision 1. **Pilot project established.** The commissioner of human services shall

445.30 establish a homeless youth cash stipend pilot project to provide a direct cash stipend to

446.1 homeless youth in Hennepin and St. Louis Counties. The pilot project must be designed to  
446.2 meet the needs of underserved communities.

446.3 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the  
446.4 meanings given.

446.5 (b) "Commissioner" means the commissioner of human services.

446.6 (c) "Homeless youth" means a person 18 to 24 years of age who lacks a fixed, regular,  
446.7 and adequate nighttime residence. The following are not fixed, regular, or adequate nighttime  
446.8 residences:

446.9 (1) a supervised publicly or privately operated shelter designed to provide temporary  
446.10 living accommodations;

446.11 (2) an institution or a publicly or privately operated shelter designed to provide temporary  
446.12 living accommodations;

446.13 (3) transitional housing;

446.14 (4) a temporary placement with a peer, friend, or family member that has not offered  
446.15 permanent residence, a residential lease, or temporary lodging for more than 30 days; or

446.16 (5) a public or private place not designed for, nor ordinarily used as, a regular sleeping  
446.17 accommodation for human beings.

446.18 Subd. 3. **Administration.** The commissioner, as authorized by Minnesota Statutes,  
446.19 section 256.01, subdivision 2, paragraph (a), clause (6), shall contract with Youthprise to:

446.20 (1) identify eligible homeless youth under this section;

446.21 (2) provide technical assistance to cash stipend recipients;

446.22 (3) engage with cash stipend recipients to develop youth-designed optional services;

446.23 (4) evaluate the efficacy and cost-effectiveness of the pilot program;

446.24 (5) collaborate with youth leaders of each county to identify and contract with the  
446.25 appropriate service providers to offer financial coaching, housing navigation, employment,  
446.26 education services, and trauma-informed mentoring and support; and

446.27 (6) submit annual updates and a final report to the commissioner.

446.28 Subd. 4. **Eligibility.** Homeless youth who are 18 to 24 years of age and who live in  
446.29 Hennepin or St. Louis County at the time of initial enrollment are eligible to participate in  
446.30 the pilot project.

447.1 Subd. 5. **Cash stipend.** The commissioner, in consultation with Youthprise and Hennepin  
447.2 and St. Louis Counties, shall establish a stipend amount for eligible homeless youth who  
447.3 participate in the pilot project.

447.4 Subd. 6. **Stipends not to be considered income.** (a) Notwithstanding any law to the  
447.5 contrary, cash stipends under this section must not be considered income, assets, or personal  
447.6 property for purposes of determining eligibility or recertifying eligibility for:

447.7 (1) child care assistance programs under Minnesota Statutes, chapter 119B;

447.8 (2) general assistance, Minnesota supplemental aid, and food support under Minnesota  
447.9 Statutes, chapter 256D;

447.10 (3) housing support under Minnesota Statutes, chapter 256I;

447.11 (4) the Minnesota family investment program and diversionary work program under  
447.12 Minnesota Statutes, chapter 256J; and

447.13 (5) economic assistance programs under Minnesota Statutes, chapter 256P.

447.14 (b) The commissioner must not consider cash stipends under this section as income or  
447.15 assets for medical assistance under Minnesota Statutes, section 256B.056, subdivision 1a,  
447.16 paragraph (a); 3; or 3c.

447.17 Subd. 7. **Report.** The commissioner, in cooperation with Youthprise and Hennepin and  
447.18 St. Louis Counties, shall submit an annual report on Youthprise's findings regarding the  
447.19 efficacy and cost-effectiveness of the homeless youth cash stipend pilot project to the chairs  
447.20 and ranking minority members of the legislative committees with jurisdiction over homeless  
447.21 youth policy and finance by January 15, 2024, and each January 15 thereafter.

447.22 Subd. 8. **Expiration.** This section expires June 30, 2027.

447.23 Sec. 10. **HOUSING STABILIZATION SERVICES INFLATIONARY**  
447.24 **ADJUSTMENT.**

447.25 The commissioner of human services shall seek federal approval to apply biennial  
447.26 inflationary updates to housing stabilization services rates based on the consumer price  
447.27 index. Beginning January 1, 2024, the commissioner must update rates using the most  
447.28 recently available data from the consumer price index.

447.29 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval,  
447.30 whichever is later. The commissioner shall notify the revisor of statutes when federal  
447.31 approval is obtained.

448.1 **ARTICLE 13**

448.2 **CHILDREN AND FAMILIES**

448.3 Section 1. Minnesota Statutes 2022, section 4.045, is amended to read:

448.4 **4.045 CHILDREN'S CABINET.**

448.5 The Children's Cabinet shall consist of the commissioners of education, human services,  
 448.6 employment and economic development, public safety, corrections, management and  
 448.7 budget, health, administration, Housing Finance Agency, and transportation; and the  
 448.8 ~~director of the Office of Strategic and Long-Range Planning~~ children, youth, and families.

448.9 The governor shall designate one member to serve as cabinet chair. The chair is responsible  
 448.10 for ensuring that the duties of the Children's Cabinet are performed.

448.11 **EFFECTIVE DATE.** This section is effective July 1, 2024.

448.12 Sec. 2. Minnesota Statutes 2022, section 10.65, subdivision 2, is amended to read:

448.13 Subd. 2. **Definitions.** (a) As used in this section, the following terms have the meanings  
 448.14 given:

448.15 (1) "agency" means the Department of Administration, Department of Agriculture,  
 448.16 Department of Children, Youth, and Families, Department of Commerce, Department of  
 448.17 Corrections, Department of Education, Department of Employment and Economic  
 448.18 Development, Department of Health, Office of Higher Education, Housing Finance  
 448.19 Agency, Department of Human Rights, Department of Human Services, Department of  
 448.20 Information Technology Services, Department of Iron Range Resources and Rehabilitation,  
 448.21 Department of Labor and Industry, Minnesota Management and Budget, Bureau of  
 448.22 Mediation Services, Department of Military Affairs, Metropolitan Council, Department  
 448.23 of Natural Resources, Pollution Control Agency, Department of Public Safety, Department  
 448.24 of Revenue, Department of Transportation, Department of Veterans Affairs, Gambling  
 448.25 Control Board, Racing Commission, the Minnesota Lottery, the Animal Health Board,  
 448.26 and the Board of Water and Soil Resources;

448.27 (2) "consultation" means the direct and interactive involvement of the Minnesota Tribal  
 448.28 governments in the development of policy on matters that have Tribal implications.  
 448.29 Consultation is the proactive, affirmative process of identifying and seeking input from  
 448.30 appropriate Tribal governments and considering their interest as a necessary and integral  
 448.31 part of the decision-making process. This definition adds to statutorily mandated notification  
 448.32 procedures. During a consultation, the burden is on the agency to show that it has made a  
 448.33 good faith effort to elicit feedback. Consultation is a formal engagement between agency



449.1 officials and the governing body or bodies of an individual Minnesota Tribal government  
449.2 that the agency or an individual Tribal government may initiate. Formal meetings or  
449.3 communication between top agency officials and the governing body of a Minnesota Tribal  
449.4 government is a necessary element of consultation;

449.5 (3) "matters that have Tribal implications" means rules, legislative proposals, policy  
449.6 statements, or other actions that have substantial direct effects on one or more Minnesota  
449.7 Tribal governments, or on the distribution of power and responsibilities between the state  
449.8 and Minnesota Tribal governments;

449.9 (4) "Minnesota Tribal governments" means the federally recognized Indian Tribes located  
449.10 in Minnesota including: Bois Forte Band; Fond Du Lac Band; Grand Portage Band; Leech  
449.11 Lake Band; Mille Lacs Band; White Earth Band; Red Lake Nation; Lower Sioux Indian  
449.12 Community; Prairie Island Indian Community; Shakopee Mdewakanton Sioux Community;  
449.13 and Upper Sioux Community; and

449.14 (5) "timely and meaningful" means done or occurring at a favorable or useful time that  
449.15 allows the result of consultation to be included in the agency's decision-making process for  
449.16 a matter that has Tribal implications.

449.17 **EFFECTIVE DATE.** This section is effective July 1, 2024.

449.18 Sec. 3. Minnesota Statutes 2022, section 15.01, is amended to read:

449.19 **15.01 DEPARTMENTS OF THE STATE.**

449.20 The following agencies are designated as the departments of the state government: the  
449.21 Department of Administration; the Department of Agriculture; the Department of Children,  
449.22 Youth, and Families; the Department of Commerce; the Department of Corrections; the  
449.23 Department of Education; the Department of Employment and Economic Development;  
449.24 the Department of Health; the Department of Human Rights; the Department of Information  
449.25 Technology Services; the Department of Iron Range Resources and Rehabilitation; the  
449.26 Department of Labor and Industry; the Department of Management and Budget; the  
449.27 Department of Military Affairs; the Department of Natural Resources; the Department of  
449.28 Public Safety; the Department of Human Services; the Department of Revenue; the  
449.29 Department of Transportation; the Department of Veterans Affairs; and their successor  
449.30 departments.

449.31 **EFFECTIVE DATE.** This section is effective July 1, 2024.

450.1 Sec. 4. Minnesota Statutes 2022, section 15.06, subdivision 1, is amended to read:

450.2 Subdivision 1. **Applicability.** This section applies to the following departments or  
450.3 agencies: the Departments of Administration; Agriculture; Children, Youth, and Families;  
450.4 Commerce; Corrections; Education; Employment and Economic Development; Health;  
450.5 Human Rights; Labor and Industry; Management and Budget; Natural Resources; Public  
450.6 Safety; Human Services; Revenue; Transportation; and Veterans Affairs; the Housing  
450.7 Finance and Pollution Control Agencies; the Office of Commissioner of Iron Range  
450.8 Resources and Rehabilitation; the Department of Information Technology Services; the  
450.9 Bureau of Mediation Services; and their successor departments and agencies. The heads of  
450.10 the foregoing departments or agencies are "commissioners."

450.11 **EFFECTIVE DATE.** This section is effective July 1, 2024.

450.12 Sec. 5. Minnesota Statutes 2022, section 15A.0815, subdivision 2, is amended to read:

450.13 Subd. 2. **Group I salary limits.** The salary for a position listed in this subdivision shall  
450.14 not exceed 133 percent of the salary of the governor. This limit must be adjusted annually  
450.15 on January 1. The new limit must equal the limit for the prior year increased by the percentage  
450.16 increase, if any, in the Consumer Price Index for all urban consumers from October of the  
450.17 second prior year to October of the immediately prior year. The commissioner of management  
450.18 and budget must publish the limit on the department's website. This subdivision applies to  
450.19 the following positions:

450.20 Commissioner of administration;

450.21 Commissioner of agriculture;

450.22 Commissioner of education;

450.23 Commissioner of children, youth, and families;

450.24 Commissioner of commerce;

450.25 Commissioner of corrections;

450.26 Commissioner of health;

450.27 Commissioner, Minnesota Office of Higher Education;

450.28 Commissioner, Housing Finance Agency;

450.29 Commissioner of human rights;

450.30 Commissioner of human services;

- 451.1 Commissioner of labor and industry;
- 451.2 Commissioner of management and budget;
- 451.3 Commissioner of natural resources;
- 451.4 Commissioner, Pollution Control Agency;
- 451.5 Commissioner of public safety;
- 451.6 Commissioner of revenue;
- 451.7 Commissioner of employment and economic development;
- 451.8 Commissioner of transportation; and
- 451.9 Commissioner of veterans affairs.
- 451.10 **EFFECTIVE DATE.** This section is effective July 1, 2024.

451.11 Sec. 6. Minnesota Statutes 2022, section 43A.08, subdivision 1a, is amended to read:

451.12 Subd. 1a. **Additional unclassified positions.** Appointing authorities for the following  
 451.13 agencies may designate additional unclassified positions according to this subdivision: the  
 451.14 Departments of Administration; Agriculture; Children, Youth, and Families; Commerce;  
 451.15 Corrections; Education; Employment and Economic Development; Explore Minnesota  
 451.16 Tourism; Management and Budget; Health; Human Rights; Labor and Industry; Natural  
 451.17 Resources; Public Safety; Human Services; Revenue; Transportation; and Veterans Affairs;  
 451.18 the Housing Finance and Pollution Control Agencies; the State Lottery; the State Board of  
 451.19 Investment; the Office of Administrative Hearings; the Department of Information  
 451.20 Technology Services; the Offices of the Attorney General, Secretary of State, and State  
 451.21 Auditor; the Minnesota State Colleges and Universities; the Minnesota Office of Higher  
 451.22 Education; the Perpich Center for Arts Education; and the Minnesota Zoological Board.

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

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

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

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

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

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

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

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

452.10 **EFFECTIVE DATE.** This section is effective July 1, 2024.

452.11 Sec. 7. Minnesota Statutes 2022, section 119B.011, subdivision 2, is amended to read:

452.12 Subd. 2. **Applicant.** "Child care fund applicants" means all parents; stepparents; legal  
452.13 guardians; ~~or~~ eligible relative caregivers ~~who are~~; relative custodians who accepted a transfer  
452.14 of permanent legal and physical custody of a child under section 260C.515, subdivision 4,  
452.15 or similar permanency disposition in Tribal code; successor custodians or guardians as  
452.16 established by section 256N.22, subdivision 10; or foster parents providing care to a child  
452.17 placed in a family foster home under section 260C.007, subdivision 16b. Applicants must  
452.18 be members of the family and reside in the household that applies for child care assistance  
452.19 under the child care fund.

452.20 **EFFECTIVE DATE.** This section is effective August 25, 2024.

452.21 Sec. 8. Minnesota Statutes 2022, section 119B.011, subdivision 5, is amended to read:

452.22 Subd. 5. **Child care.** "Child care" means the care of a child by someone other than a  
452.23 parent; stepparent; legal guardian; eligible relative caregiver; relative custodian who  
452.24 accepted a transfer of permanent legal and physical custody of a child under section  
452.25 260C.515, subdivision 4, or similar permanency disposition in Tribal code; successor  
452.26 custodian or guardian as established according to section 256N.22, subdivision 10; foster  
452.27 parent providing care to a child placed in a family foster home under section 260C.007,  
452.28 subdivision 16b; or the spouses spouse of any of the foregoing in or outside the child's own  
452.29 home for gain or otherwise, on a regular basis, for any part of a 24-hour day.

452.30 **EFFECTIVE DATE.** This section is effective August 25, 2024.

453.1 Sec. 9. Minnesota Statutes 2022, section 119B.011, subdivision 13, is amended to read:

453.2 Subd. 13. **Family.** "Family" means parents; stepparents; guardians and their spouses;  
 453.3 ~~or~~; other eligible relative caregivers and their spouses; relative custodians who accepted a  
 453.4 transfer of permanent legal and physical custody of a child under section 260C.515,  
 453.5 subdivision 4, or similar permanency disposition in Tribal code, and their spouses; successor  
 453.6 custodians or guardians as established by section 256N.22, subdivision 10, and their spouses;  
 453.7 foster parents providing care to a child placed in a family foster home under section  
 453.8 260C.007, subdivision 16b, and their spouses; and ~~their blood-related~~ the blood-related  
 453.9 dependent children and adoptive siblings under the age of 18 years living in the same home  
 453.10 ~~including as any of the above.~~ Family includes children temporarily absent from the  
 453.11 household in settings such as schools, foster care, and residential treatment facilities ~~or~~  
 453.12 ~~parents, stepparents, guardians and their spouses, or other relative caregivers and their~~  
 453.13 ~~spouses~~ and adults temporarily absent from the household in settings such as schools, military  
 453.14 service, or rehabilitation programs. An adult family member who is not in an authorized  
 453.15 activity under this chapter may be temporarily absent for up to 60 days. When a minor  
 453.16 parent or parents and his, her, or their child or children are living with other relatives, and  
 453.17 the minor parent or parents apply for a child care subsidy, "family" means only the minor  
 453.18 parent or parents and their child or children. An adult age 18 or older who meets this  
 453.19 definition of family and is a full-time high school or postsecondary student may be considered  
 453.20 a dependent member of the family unit if 50 percent or more of the adult's support is provided  
 453.21 by the parents; stepparents; guardians and their spouses; relative custodians who accepted  
 453.22 a transfer of permanent legal and physical custody of a child under section 260C.515,  
 453.23 subdivision 4, or similar permanency disposition in Tribal code, and their spouses; successor  
 453.24 custodians or guardians as established by section 256N.22, subdivision 10, and their spouses;  
 453.25 foster parents providing care to a child placed in a family foster home under section  
 453.26 260C.007, subdivision 16b, and their spouses; or eligible relative caregivers and their spouses  
 453.27 residing in the same household.

453.28 **EFFECTIVE DATE.** This section is effective August 25, 2024.

453.29 Sec. 10. Minnesota Statutes 2022, section 119B.03, subdivision 4a, is amended to read:

453.30 Subd. 4a. **Temporary reprioritization Funding priorities.** (a) ~~Notwithstanding~~  
 453.31 ~~subdivision 4~~ In the event that inadequate funding necessitates the use of waiting lists,  
 453.32 priority for child care assistance under the basic sliding fee assistance program shall be  
 453.33 determined according to this subdivision ~~beginning July 1, 2021, through May 31, 2024.~~

454.1 (b) First priority must be given to eligible non-MFIP families who do not have a high  
454.2 school diploma or commissioner of education-selected high school equivalency certification  
454.3 or who need remedial and basic skill courses in order to pursue employment or to pursue  
454.4 education leading to employment and who need child care assistance to participate in the  
454.5 education program. This includes student parents as defined under section 119B.011,  
454.6 subdivision 19b. Within this priority, the following subpriorities must be used:

454.7 (1) child care needs of minor parents;

454.8 (2) child care needs of parents under 21 years of age; and

454.9 (3) child care needs of other parents within the priority group described in this paragraph.

454.10 (c) Second priority must be given to families in which at least one parent is a veteran,  
454.11 as defined under section 197.447.

454.12 (d) Third priority must be given to eligible families who do not meet the specifications  
454.13 of paragraph (b), (c), (e), or (f).

454.14 (e) Fourth priority must be given to families who are eligible for portable basic sliding  
454.15 fee assistance through the portability pool under subdivision 9.

454.16 (f) Fifth priority must be given to eligible families receiving services under section  
454.17 119B.011, subdivision 20a, if the parents have completed their MFIP or DWP transition  
454.18 year, or if the parents are no longer receiving or eligible for DWP supports.

454.19 (g) Families under paragraph (f) must be added to the basic sliding fee waiting list on  
454.20 the date they complete their transition year under section 119B.011, subdivision 20.

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

454.22 Sec. 11. Minnesota Statutes 2022, section 119B.13, subdivision 1, is amended to read:

454.23 Subdivision 1. **Subsidy restrictions.** (a) Beginning ~~November 15, 2021~~ October 30,  
454.24 2023, the maximum rate paid for child care assistance in any county or county price cluster  
454.25 under the child care fund shall be:

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

454.28 ~~(2) for all preschool and school-age children, the greater of the 30th percentile of the~~  
454.29 ~~2021 child care provider rate survey or the rates in effect at the time of the update.~~

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

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

455.6 ~~(2) for all preschool and school-age children, the greater of the 30th percentile of the~~  
455.7 ~~2024 child care provider rate survey or the rates in effect at the time of the update.~~

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

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

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

455.17 (e) The department shall monitor the effect of this paragraph on provider rates. The  
455.18 county shall pay the provider's full charges for every child in care up to the maximum  
455.19 established. The commissioner shall determine the maximum rate for each type of care on  
455.20 an hourly, full-day, and weekly basis, including special needs and disability care.

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

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

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

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

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

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

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

456.4 (j) Beginning October 30, 2023, the maximum registration fee paid for child care  
456.5 assistance in any county or county price cluster under the child care fund shall be set as  
456.6 follows: ~~(1) beginning November 15, 2021~~, the greater of the ~~40th~~ 75th percentile of the  
456.7 ~~2021 most recent~~ child care provider rate survey or the registration fee in effect at the time  
456.8 of the update; ~~and (2) beginning the first full service period on or after January 1, 2025~~, the  
456.9 ~~maximum registration fee shall be the greater of the 40th percentile of the 2024 child care~~  
456.10 ~~provider rate survey or the registration fee in effect at the time of the update. The registration~~  
456.11 ~~fees under clause (1) continue until the registration fees under clause (2) go into effect.~~

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

456.17 Sec. 12. **[119B.196] FAMILY, FRIEND, AND NEIGHBOR GRANT PROGRAM.**

456.18 Subdivision 1. Establishment. The commissioner of human services shall establish a  
456.19 family, friend, and neighbor (FFN) grant program to promote children's social-emotional  
456.20 learning and healthy development, early literacy, and other skills to succeed as learners and  
456.21 to foster community partnerships that will help children thrive when they enter school.

456.22 Subd. 2. Grant awards. The commissioner may award grants under this section to the  
456.23 following entities working with FFN caregivers: community-based organizations, nonprofit  
456.24 organizations, local or regional libraries, local public health agencies, and Indian Tribes  
456.25 and Tribal organizations. Grantees may use grant money received under this section to:

456.26 (1) provide culturally and linguistically appropriate training, support, and resources to  
456.27 FFN caregivers and children's families to improve and promote children's health, safety,  
456.28 nutrition, and learning;

456.29 (2) connect FFN caregivers and children's families with community resources that support  
456.30 the families' physical and mental health and economic and developmental needs;

456.31 (3) connect FFN caregivers and children's families to early childhood screening programs  
456.32 and facilitate referrals to state and local agencies, schools, community organizations, and  
456.33 medical providers, as appropriate;



457.1 (4) provide FFN caregivers and children's families with information about high-quality,  
457.2 community-based early care and learning programs and financial assistance available to the  
457.3 families, including but not limited to child care assistance under this chapter and early  
457.4 learning scholarships under section 124D.165;

457.5 (5) provide FFN caregivers with information about registering as a legal nonlicensed  
457.6 child care provider as defined in section 119B.011, subdivision 16, and establishing a  
457.7 licensed family or group family child care program;

457.8 (6) provide transportation for FFN caregivers and children's families to educational and  
457.9 other early childhood training activities;

457.10 (7) translate materials for FFN caregivers and children's families and provide translation  
457.11 services to FFN caregivers and children's families;

457.12 (8) develop and disseminate social-emotional learning, health and safety, and early  
457.13 learning kits to FFN caregivers; and

457.14 (9) establish play and learning groups for FFN caregivers.

457.15 Subd. 3. **Administration.** Applicants must apply for the grants using the forms and  
457.16 according to timelines established by the commissioner.

457.17 Subd. 4. **Reporting requirements.** (a) Grantees shall provide data and program outcomes  
457.18 to the commissioner in a form and manner specified by the commissioner for the purpose  
457.19 of evaluating the grant program.

457.20 (b) Beginning February 1, 2024, and every two years thereafter, the commissioner shall  
457.21 report to the legislature on program outcomes.

457.22 Sec. 13. **[143.01] DEFINITIONS.**

457.23 Subdivision 1. **Application.** The definitions in this section apply to this chapter.

457.24 Subd. 2. **Commissioner.** "Commissioner" means the commissioner of children, youth,  
457.25 and families.

457.26 Subd. 3. **Department.** "Department" means the Department of Children, Youth, and  
457.27 Families.

457.28 **EFFECTIVE DATE.** This section is effective July 1, 2024.

458.1 Sec. 14. **[143.02] CREATION OF THE DEPARTMENT OF CHILDREN, YOUTH,**  
458.2 **AND FAMILIES.**

458.3 Subdivision 1. **Department.** The Department of Children, Youth, and Families is  
458.4 established.

458.5 Subd. 2. **Transfer and restructuring provisions.** The restructuring of agencies under  
458.6 this act must be conducted in accordance with sections 15.039 and 43A.045.

458.7 Subd. 3. **Successor and employee protection clause.** (a) Personnel relating to the  
458.8 functions assigned to the commissioner in section 143.03 are transferred to the department  
458.9 effective 30 days after approval by the commissioner.

458.10 (b) Before the commissioner's appointment, personnel relating to the functions in this  
458.11 section may be transferred beginning July 1, 2024, with 30 days' notice from the  
458.12 commissioner of management and budget.

458.13 (c) All employees transferred to the department remain in the same employment status,  
458.14 bargaining unit, and civil service protection as the employees had before the transfer. All  
458.15 collective bargaining agreements that cover any employee of the Departments of Human  
458.16 Services, Education, Health, or Public Safety who is transferred to the Department of  
458.17 Children, Youth, and Families remain in effect.

458.18 (d) To the extent that departmental changes affect the operations of any school district  
458.19 or charter school, employers have the obligation to bargain about any changes affecting or  
458.20 relating to employees' terms and conditions of employment if such changes are necessary  
458.21 during or after the term of an existing collective bargaining agreement.

458.22 **EFFECTIVE DATE.** This section is effective July 1, 2024.

458.23 Sec. 15. **[143.03] COMMISSIONER.**

458.24 Subdivision 1. **General.** The department is under the administrative control of the  
458.25 commissioner. The commissioner is appointed by the governor with the advice and consent  
458.26 of the senate. The commissioner has the general powers provided in section 15.06,  
458.27 subdivision 6. The commissioner's salary must be established according to the procedure  
458.28 in section 15A.0815, subdivision 5, in the same range as specified for the commissioner of  
458.29 management and budget.

458.30 Subd. 2. **Duties of the commissioner.** (a) The commissioner may apply for and accept  
458.31 on behalf of the state any grants, bequests, gifts, or contributions for the purpose of carrying  
458.32 out the duties and responsibilities of the commissioner. Any money received under this

459.1 paragraph is appropriated and dedicated for the purpose for which the money is granted.  
459.2 The commissioner must biennially report to the chairs and ranking minority members of  
459.3 relevant legislative committees and divisions by January 15 of each even-numbered year a  
459.4 list of all grants and gifts received under this subdivision.

459.5 (b) Pursuant to law, the commissioner may apply for and receive money made available  
459.6 from federal sources for the purpose of carrying out the duties and responsibilities of the  
459.7 commissioner.

459.8 (c) The commissioner may make contracts with and grants to Tribal Nations, public and  
459.9 private agencies and for-profit and nonprofit organizations, and individuals using appropriated  
459.10 money.

459.11 (d) The commissioner must develop program objectives and performance measures for  
459.12 evaluating progress toward achieving the objectives. The commissioner must identify the  
459.13 objectives, performance measures, and current status of achieving the measures in a biennial  
459.14 report to the chairs and ranking minority members of relevant legislative committees and  
459.15 divisions. The report is due no later than January 15 each even-numbered year. The report  
459.16 must include, when possible, the following objectives:

459.17 (1) centering and including the lived experiences of children and youth, including those  
459.18 with disabilities and mental illness and their families, in all aspects of the department's work;

459.19 (2) increasing the effectiveness of the department's programs in addressing the needs of  
459.20 children and youth facing racial, economic, or geographic inequities;

459.21 (3) increasing coordination and reducing inefficiencies among the department's programs  
459.22 and the funding sources that support the programs;

459.23 (4) increasing the alignment and coordination of family access to child care and early  
459.24 learning programs and improving systems of support for early childhood and learning  
459.25 providers and services;

459.26 (5) improving the connection between the department's programs and the kindergarten  
459.27 through grade 12 and higher education systems; and

459.28 (6) minimizing and streamlining the effort required of youth and families to receive  
459.29 services to which the youth and families are entitled.

459.30 **EFFECTIVE DATE.** This section is effective July 1, 2024.

460.1 Sec. 16. **[143.04] STATE AND COUNTY SYSTEMS.**

460.2 **Subdivision 1. Establishment of systems.** (a) The commissioner shall establish and  
460.3 enhance computer systems necessary for the efficient operation of the programs the  
460.4 commissioner supervises, including:

460.5 (1) management and administration of the Supplemental Nutrition Assistance Program  
460.6 (SNAP) and income maintenance program, including the electronic distribution of benefits;  
460.7 and

460.8 (2) management and administration of the child support enforcement program.

460.9 (b) The commissioner's development costs incurred by computer systems for statewide  
460.10 programs administered with that computer system and mandated by state or federal law  
460.11 must not be assessed against county agencies. The commissioner may charge a county for  
460.12 development and operating costs incurred by computer systems for functions requested by  
460.13 the county and not mandated by state or federal law for programs administered by the  
460.14 computer system incurring the cost.

460.15 (c) The commissioner shall distribute the nonfederal share of the costs of operating and  
460.16 maintaining the systems to the commissioner and to the counties participating in the system  
460.17 in a manner that reflects actual system usage, except that the nonfederal share of the costs  
460.18 of the MAXIS computer system and child support enforcement systems for statewide  
460.19 programs administered by those systems and mandated by state or federal law shall be borne  
460.20 entirely by the commissioner.

460.21 (d) The commissioner may enter into contractual agreements with federally recognized  
460.22 Indian Tribes with a reservation in Minnesota to participate in state-operated computer  
460.23 systems related to the management and administration of the SNAP, income maintenance,  
460.24 and child support enforcement programs to the extent necessary for the Tribe to operate a  
460.25 federally approved family assistance program or any other program under the supervision  
460.26 of the commissioner.

460.27 **Subd. 2. State systems account created.** A state systems account for the Department  
460.28 of Children, Youth, and Families is created in the state treasury. Money collected by the  
460.29 commissioner for the programs in subdivision 1 must be deposited in the account. Money  
460.30 in the state systems account and federal matching money are appropriated to the  
460.31 commissioner for purposes of this section.

460.32 **EFFECTIVE DATE.** This section is effective July 1, 2024.

461.1 **Sec. 17. [143.05] RULEMAKING.**

461.2 (a) The commissioner may use the procedure in section 14.386, paragraph (a), to adopt  
461.3 rules necessary to implement the responsibilities transferred under this article or through  
461.4 section 16B.37. Section 14.386, paragraph (b), does not apply to these rules.

461.5 (b) The commissioner must amend Minnesota Rules to make conforming changes related  
461.6 to the transfer of responsibilities under this act or through section 16B.37. The commissioner  
461.7 must obtain the approval of the commissioners of human services, education, health, and  
461.8 public safety for any amendments to or repeal of rules in existence on the effective date of  
461.9 this section and administered under the authority of those agencies.

461.10 (c) The time limit in section 14.125 is extended to 36 months for rulemaking under  
461.11 paragraphs (a) and (b). The commissioner must publish a notice of intent to adopt rules or  
461.12 a notice of hearing within 36 months of the effective date reported under section 143.05,  
461.13 subdivision 1, paragraph (c).

461.14 (d) The commissioner may adopt rules for the administration of activities related to the  
461.15 department. Rules adopted under this paragraph are subject to the rulemaking requirements  
461.16 of chapter 14.

461.17 **EFFECTIVE DATE.** This section is effective July 1, 2024.

461.18 **Sec. 18. [145.9285] COMMUNITY SOLUTIONS FOR HEALTHY CHILD**  
461.19 **DEVELOPMENT GRANT PROGRAM.**

461.20 Subdivision 1. **Establishment.** The commissioner of health shall establish the community  
461.21 solutions for healthy child development grant program. The purpose of the program is to:

461.22 (1) improve child development outcomes as related to the well-being of children of color  
461.23 and American Indian children from prenatal to grade 3 and their families, including but not  
461.24 limited to the goals outlined by the Department of Human Services' early childhood systems  
461.25 reform effort for: early learning; health and well-being; economic security; and safe, stable,  
461.26 nurturing relationships and environments by funding community-based solutions for  
461.27 challenges that are identified by the affected community;

461.28 (2) reduce racial disparities in children's health and development from prenatal to grade  
461.29 3; and

461.30 (3) promote racial and geographic equity.

461.31 **Subd. 2. Commissioner's duties.** The commissioner shall:

462.1 (1) develop a request for proposals for the healthy child development grant program in  
462.2 consultation with the Community Solutions Advisory Council;

462.3 (2) provide outreach, technical assistance, and program development support to increase  
462.4 capacity for new and existing service providers in order to better meet statewide needs,  
462.5 particularly in greater Minnesota and areas where services to reduce health disparities have  
462.6 not been established;

462.7 (3) review responses to requests for proposals, in consultation with the Community  
462.8 Solutions Advisory Council, and award grants under this section;

462.9 (4) ensure communication with the ethnic councils, Minnesota Indian Affairs Council,  
462.10 and the state advisory council on early childhood education and care on the request for  
462.11 proposal process;

462.12 (5) establish a transparent and objective accountability process, in consultation with the  
462.13 Community Solutions Advisory Council, that is focused on outcomes that grantees agree  
462.14 to achieve;

462.15 (6) provide grantees with access to data to assist grantees in establishing and  
462.16 implementing effective community-led solutions;

462.17 (7) maintain data on outcomes reported by grantees; and

462.18 (8) contract with an independent third-party entity to evaluate the success of the grant  
462.19 program and to build the evidence base for effective community solutions in reducing health  
462.20 disparities of children of color and American Indian children from prenatal to grade 3.

462.21 **Subd. 3. Community Solutions Advisory Council; establishment; duties;**  
462.22 **compensation.** (a) The commissioner, in consultation with the three ethnic councils under  
462.23 section 15.0145 and the Indian Affairs Council under section 3.922, shall appoint a  
462.24 13-member Community Solutions Advisory Council,= as follows:

462.25 (1) three members representing Black Minnesotans of African heritage, one of whom  
462.26 is a parent with a child under the age of eight years at the time of the appointment;

462.27 (2) three members representing Latino and Latina Minnesotans with an ethnic heritage  
462.28 from Mexico, a country in Central or South America, Cuba, the Dominican Republic, or  
462.29 Puerto Rico, one of whom is a parent with a child under the age of eight years at the time  
462.30 of the appointment;

463.1 (3) three members representing Asian-Pacific Minnesotans with Asian-Pacific heritage,  
463.2 one of whom is a parent with a child under the age of eight years at the time of the  
463.3 appointment;

463.4 (4) three members representing the American Indian community, one of whom is a  
463.5 parent of a child under the age of eight years at the time of the appointment; and

463.6 (5) one member with research or academic expertise in racial equity and healthy child  
463.7 development.

463.8 (b) The commissioner must include representation from organizations with expertise in  
463.9 advocacy on behalf of communities of color and Indigenous communities in areas related  
463.10 to the grant program.

463.11 (c) At least three of the 13 members appointed under paragraph (a), clauses (1) to (4),  
463.12 of the advisory council must come from outside the seven-county metropolitan area.

463.13 (d) The Community Solutions Advisory Council shall:

463.14 (1) advise the commissioner on the development of the request for proposals for  
463.15 community solutions healthy child development grants. In advising the commissioner, the  
463.16 council must consider how to build on the capacity of communities to promote child and  
463.17 family well-being and address social determinants of healthy child development;

463.18 (2) review responses to requests for proposals and advise the commissioner on the  
463.19 selection of grantees and grant awards;

463.20 (3) advise the commissioner on the establishment of a transparent and objective  
463.21 accountability process focused on outcomes the grantees agree to achieve;

463.22 (4) advise the commissioner on ongoing oversight and necessary support in the  
463.23 implementation of the program; and

463.24 (5) support the commissioner on other racial equity and early childhood grant efforts.

463.25 (e) Member terms, compensation, and removal shall be as provided in section 15.059,  
463.26 subdivisions 2 to 4.

463.27 (f) The commissioner must convene meetings of the advisory council at least four times  
463.28 per year.

463.29 (g) The advisory council shall expire upon expiration or repeal of the healthy childhood  
463.30 development program.

464.1 (h) The commissioner of health must provide meeting space and administrative support  
464.2 for the advisory council.

464.3 Subd. 4. **Eligible grantees.** Organizations eligible to receive grant funding under this  
464.4 section include:

464.5 (1) organizations or entities that work with communities of color and American Indian  
464.6 communities;

464.7 (2) Tribal Nations and Tribal organizations as defined in section 658P of the Child Care  
464.8 and Development Block Grant Act of 1990; and

464.9 (3) organizations or entities focused on supporting healthy child development.

464.10 Subd. 5. **Strategic consideration and priority of proposals; eligible populations;**

464.11 **grant awards.** (a) The commissioner, in consultation with the Community Solutions  
464.12 Advisory Council, shall develop a request for proposals for healthy child development  
464.13 grants. In developing the proposals and awarding the grants, the commissioner shall consider  
464.14 building on the capacity of communities to promote child and family well-being and address  
464.15 social determinants of healthy child development. Proposals must focus on increasing racial  
464.16 equity and healthy child development and reducing health disparities experienced by children  
464.17 of color and American Indian children from prenatal to grade 3 and their families.

464.18 (b) In awarding the grants, the commissioner shall provide strategic consideration and  
464.19 give priority to proposals from:

464.20 (1) organizations or entities led by people of color and serving communities of color;

464.21 (2) organizations or entities led by American Indians and serving American Indians,  
464.22 including Tribal Nations and Tribal organizations;

464.23 (3) organizations or entities with proposals focused on healthy development from prenatal  
464.24 to grade 3;

464.25 (4) organizations or entities with proposals focusing on multigenerational solutions;

464.26 (5) organizations or entities located in or with proposals to serve communities located  
464.27 in counties that are moderate to high risk according to the Wilder Research Risk and Reach  
464.28 Report; and

464.29 (6) community-based organizations that have historically served communities of color  
464.30 and American Indians and have not traditionally had access to state grant funding.

464.31 The advisory council may recommend additional strategic considerations and priorities to  
464.32 the commissioner.



465.1 (c) The first round of grants must be awarded no later than April 15, 2024. Grants must  
 465.2 be awarded annually thereafter. Grants are awarded for a period of three years.

465.3 Subd. 6. **Geographic distribution of grants.** The commissioner and the advisory council  
 465.4 shall ensure that grant money is prioritized and awarded to organizations and entities that  
 465.5 are within counties that have a higher proportion of people of color and American Indians  
 465.6 than the state average, to the extent possible.

465.7 Subd. 7. **Report.** Grantees must report grant program outcomes to the commissioner on  
 465.8 the forms and according to the timelines established by the commissioner.

465.9 Sec. 19. Minnesota Statutes 2022, section 256.014, subdivision 1, is amended to read:

465.10 Subdivision 1. **Establishment of systems.** (a) The commissioner of human services  
 465.11 shall establish and enhance computer systems necessary for the efficient operation of ~~the~~  
 465.12 medical assistance and other programs the commissioner supervises, including:

465.13 ~~(1) management and administration of the Supplemental Nutrition Assistance Program~~  
 465.14 ~~(SNAP) and income maintenance program, including the electronic distribution of benefits;~~

465.15 ~~(2) management and administration of the child support enforcement program; and~~

465.16 ~~(3) administration of medical assistance.~~

465.17 (b) The commissioner's development costs incurred by computer systems for statewide  
 465.18 programs administered by that computer system and mandated by state or federal law must  
 465.19 not be assessed against county agencies. The commissioner may charge a county for  
 465.20 development and operating costs incurred by computer systems for functions requested by  
 465.21 the county and not mandated by state or federal law for programs administered by the  
 465.22 computer system incurring the cost.

465.23 (c) The commissioner shall distribute the nonfederal share of the costs of operating and  
 465.24 maintaining the systems to the commissioner and to the counties participating in the system  
 465.25 in a manner that reflects actual system usage, except that the nonfederal share of the costs  
 465.26 of the MAXIS computer system ~~and child support enforcement systems~~ for statewide  
 465.27 programs administered by ~~those systems~~ that system and mandated by state or federal law  
 465.28 shall be borne entirely by the commissioner.

465.29 The commissioner may enter into contractual agreements with federally recognized  
 465.30 Indian Tribes with a reservation in Minnesota to participate in state-operated computer  
 465.31 systems related to the management and administration of the ~~SNAP, income maintenance,~~  
 465.32 ~~child support enforcement, and~~ medical assistance ~~programs~~ program to the extent necessary

466.1 for the Tribe to operate ~~a federally approved family~~ the medical assistance program or any  
466.2 other program under the supervision of the commissioner.

466.3 **EFFECTIVE DATE.** This section is effective July 1, 2024.

466.4 Sec. 20. Minnesota Statutes 2022, section 256.014, subdivision 2, is amended to read:

466.5 Subd. 2. **State systems account created.** A state systems account for the Department  
466.6 of Human Services is created in the state treasury. Money collected by the commissioner  
466.7 of human services for the programs in subdivision 1 must be deposited in the account.  
466.8 Money in the state systems account and federal matching money is appropriated to the  
466.9 commissioner of human services for purposes of this section.

466.10 **EFFECTIVE DATE.** This section is effective July 1, 2024.

466.11 Sec. 21. **[256E.341] PREPARED MEALS FOOD RELIEF GRANTS.**

466.12 Subdivision 1. **Establishment.** The commissioner of human services shall establish a  
466.13 prepared meals grant program to provide hunger relief to Minnesotans experiencing food  
466.14 insecurity and who have difficulty preparing meals due to limited mobility, disability, age,  
466.15 or limited resources to prepare their own meal.

466.16 Subd. 2. **Eligible grantees.** Eligible grantees are nonprofit organizations and federally  
466.17 recognized American Indian Tribes or Bands located in Minnesota as defined in section  
466.18 10.65, with a demonstrated history of providing and distributing prepared meals customized  
466.19 for the population that they serve, including tailoring meals to the cultural, religious, and  
466.20 dietary needs of the population served. Eligible grantees must prepare meals in a licensed  
466.21 commercial kitchen and distribute meals according to ServSafe guidelines.

466.22 Subd. 3. **Application.** Applicants for grant money under this section shall apply to the  
466.23 commissioner on the forms and in the time and manner established by the commissioner.

466.24 Subd. 4. **Allowable uses of grant funds.** (a) Eligible grantees must use grant money  
466.25 awarded under this section to fund a prepared meals program that primarily targets individuals  
466.26 between 18 and 60 years of age, and their dependents, experiencing food insecurity. Grantees  
466.27 must avoid duplication with existing state and federal meal programs.

466.28 (b) Grant money must supplement, but not supplant, any state or federal funding used  
466.29 to provide prepared meals to Minnesotans experiencing food insecurity.

466.30 Subd. 5. **Duties of the commissioner.** (a) The commissioner shall develop a process  
466.31 for determining eligible grantees under this section.

467.1 (b) In granting money, the commissioner shall prioritize applicants that:

467.2 (1) have demonstrated ability to provide prepared meals to racially and geographically  
467.3 diverse populations at greater risk for food insecurity;

467.4 (2) work with external community partners to distribute meals targeting nontraditional  
467.5 meal sites reaching those most in need; and

467.6 (3) have a demonstrated history of sourcing at least 50 percent of the prepared meal  
467.7 ingredients from:

467.8 (i) Minnesota food producers and processors; or

467.9 (ii) food that is donated or would otherwise be waste.

467.10 (c) The commissioner shall consider geographic distribution to ensure statewide coverage  
467.11 when awarding grants and minimize the number of grantees to simplify administrative  
467.12 burdens and costs.

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

467.14 Sec. 22. **[256E.38] DIAPER DISTRIBUTION GRANT PROGRAM.**

467.15 Subdivision 1. **Establishment; purpose.** The commissioner of human services shall  
467.16 establish a diaper distribution program to award competitive grants to eligible applicants  
467.17 to provide diapers to underresourced families statewide.

467.18 Subd. 2. **Eligibility.** To be eligible for a grant under this section, an applicant must  
467.19 demonstrate its capacity to distribute diapers statewide by having:

467.20 (1) a network of well-established partners for diaper distribution;

467.21 (2) the infrastructure needed to efficiently manage diaper procurement and distribution  
467.22 statewide;

467.23 (3) relationships with national organizations that support and enhance the work of  
467.24 addressing diaper need;

467.25 (4) the ability to engage in building community awareness of diaper need and advocate  
467.26 for diaper need at local, state, and federal levels;

467.27 (5) a commitment to and demonstration of working with organizations across ideological  
467.28 and political spectrums;

467.29 (6) the ability to address diaper need for children from birth through early childhood;  
467.30 and

468.1 (7) a commitment to working within an equity framework by ensuring access to  
468.2 organizations that provide culturally specific services or are located in communities with  
468.3 high concentrations of poverty.

468.4 Subd. 3. **Application.** Applicants must apply to the commissioner in a form and manner  
468.5 prescribed by the commissioner. Applications must be filed at the times and for the periods  
468.6 determined by the commissioner.

468.7 Subd. 4. **Eligible uses of grant money.** An eligible applicant that receives grant money  
468.8 under this section shall use the money to purchase diapers and wipes and may use up to  
468.9 four percent of the money for administrative costs.

468.10 Subd. 5. **Enforcement.** (a) An eligible applicant that receives grant money under this  
468.11 section must:

468.12 (1) retain records documenting expenditure of the grant money;

468.13 (2) report to the commissioner on the use of the grant money; and

468.14 (3) comply with any additional requirements imposed by the commissioner.

468.15 (b) The commissioner may require that a report submitted under this subdivision include  
468.16 an independent audit.

468.17 Sec. 23. **DIRECTION TO COMMISSIONER; ALLOCATING BASIC SLIDING**  
468.18 **FEE MONEY.**

468.19 Notwithstanding Minnesota Statutes, section 119B.03, subdivisions 6, 6a, and 6b, the  
468.20 commissioner of human services must allocate additional basic sliding fee child care money  
468.21 for calendar year 2025 to counties and Tribes to account for the change in the definition of  
468.22 family in Minnesota Statutes, section 119B.011, in this article. In allocating the additional  
468.23 money, the commissioner shall consider:

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

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

469.1 Sec. 24. **DIRECTION TO COMMISSIONER; COST ESTIMATION MODEL FOR**  
469.2 **EARLY CARE AND LEARNING PROGRAMS.**

469.3 (a) The commissioner of human services shall develop a cost estimation model for  
469.4 providing early care and learning in the state. In developing the model, the commissioner  
469.5 shall consult with relevant entities and stakeholders, including but not limited to the State  
469.6 Advisory Council on Early Childhood Education and Care under Minnesota Statutes, section  
469.7 124D.141; county administrators; child care resource and referral organizations under  
469.8 Minnesota Statutes, section 119B.19, subdivision 1; and organizations representing  
469.9 caregivers, teachers, and directors.

469.10 (b) The commissioner shall contract with an organization with experience and expertise  
469.11 in early care and learning cost estimation modeling to conduct the work outlined in this  
469.12 section. If practicable, the commissioner shall contract with First Children's Finance.

469.13 (c) The commissioner shall ensure that the model can estimate variation in the cost of  
469.14 early care and learning by:

469.15 (1) quality of care;

469.16 (2) geographic area;

469.17 (3) type of child care provider and associated licensing standards;

469.18 (4) age of child;

469.19 (5) whether the early care and learning is inclusive, including caring for children with  
469.20 disabilities alongside children without disabilities;

469.21 (6) provider and staff compensation, including benefits such as professional development  
469.22 stipends, health care benefits, and retirement benefits;

469.23 (7) a provider's fixed costs, including rent and mortgage payments, property taxes, and  
469.24 business-related insurance payments;

469.25 (8) a provider's operating expenses, including expenses for training and substitutes; and

469.26 (9) a provider's hours of operation.

469.27 (d) By January 30, 2025, the commissioner must submit a report to the legislative  
469.28 committees with jurisdiction over early childhood programs on the development of the cost  
469.29 estimation model. The report shall include:

469.30 (1) recommendations for how the model could be used in conjunction with a child care  
469.31 and early education professional wage scale to set provider payment rates for child care

470.1 assistance under Minnesota Statutes, chapter 119B, and great start scholarships under  
470.2 Minnesota Statutes, section 119C.01; and

470.3 (2) a plan to seek federal approval to use the model for provider payment rates for child  
470.4 care assistance.

470.5 Sec. 25. **DIRECTION TO COMMISSIONER; INCREASE FOR MAXIMUM CHILD**  
470.6 **CARE ASSISTANCE RATES.**

470.7 Notwithstanding Minnesota Statutes, section 119B.03, subdivisions 6, 6a, and 6b, the  
470.8 commissioner must allocate the additional basic sliding fee child care money for calendar  
470.9 year 2024 to counties for updated maximum rates based on relative need to cover maximum  
470.10 rate increases. In distributing the additional money, the commissioner shall consider the  
470.11 following factors by county:

470.12 (1) the number of children;

470.13 (2) the provider type;

470.14 (3) the age of children served; and

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

470.16 Sec. 26. **DIRECTION TO COMMISSIONER; INTEGRATED SERVICES FOR**  
470.17 **CHILDREN AND FAMILIES.**

470.18 (a) The commissioner must increase staffing to eliminate the backlog of technology  
470.19 improvements for the Minnesota electronic child care system and MAXIS.

470.20 (b) The commissioner must increase staffing to sustain the Minnesota electronic child  
470.21 care system, MAXIS, and property record information system of Minnesota (PRISM) for  
470.22 five to ten years.

470.23 (c) The commissioner must address the social services information system (SSIS)  
470.24 performance and sustainability work group to ensure significant improvements in the  
470.25 performance of SSIS.

470.26 (d) The commissioner must modernize the state's child support system by refactoring,  
470.27 replatforming, and transforming the participant portal to increase the capacity to update  
470.28 information for participants.

470.29 (e) The commissioner must contract with an independent consultant to complete a  
470.30 thorough examination of SSIS to determine a proper platform for future development to  
470.31 perform the functions of SSIS.

471.1 (f) The commissioner must implement bidirectional data exchanges with the commissioner  
471.2 of education and the Minnesota judicial branch and improve data exchange with the state's  
471.3 Medicaid management information system. Also, the commissioner must plan and implement  
471.4 a process for data collaboration and exchange with child welfare contributing agencies.

471.5 (g) The commissioner must develop an enterprise approach to communicating with  
471.6 program participants, including by incorporating text messaging technology, and improve  
471.7 notices to program participants to make them easier to understand.

471.8 (h) The commissioner must increase staffing capacity to analyze the next steps toward  
471.9 implementing sustainable technology solutions that improve the experience of program  
471.10 participants, enhance program integrity, and reduce workloads. The commissioner must  
471.11 include community engagement and staff training in the analysis.

471.12 (i) The commissioner must contract with an independent consultant to perform a thorough  
471.13 evaluation of the SSIS, which supports the child protection system in Minnesota. The  
471.14 consultant must make recommendations for improving the current system for usability,  
471.15 system performance, and federal Comprehensive Child Welfare Information System  
471.16 compliance, and must address technical problems and identify any unnecessary or unduly  
471.17 burdensome data entry requirements that have contributed to system capacity issues. The  
471.18 consultant must assist the commissioner with selecting a platform for future development  
471.19 of an information technology system for child protection.

471.20 (j) The commissioner of human services must conduct a study and develop  
471.21 recommendations to streamline and reduce SSIS data entry requirements for child protection  
471.22 cases. The study must be completed in partnership with local social services agencies and  
471.23 others, as determined by the commissioner. The study must review all input fields required  
471.24 on current reporting forms and determine which input fields and information are required  
471.25 under state or federal law. By June 30, 2024, the commissioner must provide a status report  
471.26 and an implementation timeline to the chairs and ranking minority members of the legislative  
471.27 committees with jurisdiction over child protection. The status report must include information  
471.28 about procedures for soliciting ongoing user input from stakeholders, progress on solicitation  
471.29 and hiring of a consultant to conduct the system evaluation required under paragraph (a),  
471.30 and a report on progress and completed efforts to streamline data entry requirements and  
471.31 improve user experience.

472.1 Sec. 27. **DIRECTION TO COMMISSIONER; SERVICE DELIVERY**  
472.2 **TRANSFORMATION.**

472.3 (a) The commissioner must expand the MNbenefits application to streamline the  
472.4 application process and reduce processing time.

472.5 (b) The commissioner must create two additional product teams to expand the adoption  
472.6 of Agile to support progress on client-centered outcomes for integrated service delivery.

472.7 (c) The commissioner must continue implementation of enterprise architecture, change  
472.8 management, community and stakeholder engagement, evaluation and performance  
472.9 measurement, and management of enterprise applications, systems, and processes.

472.10 (d) The commissioner must implement an enterprise data management strategy, standards,  
472.11 and policies, and advanced analytics capacity.

472.12 (e) The commissioner may maintain existing systems to the extent necessary to support  
472.13 the service delivery transformation projects in this section.

472.14 Sec. 28. **FIRST APPOINTMENTS AND TERMS FOR THE COMMUNITY**  
472.15 **SOLUTIONS ADVISORY COUNCIL.**

472.16 The commissioner of health must appoint members to the Community Solutions Advisory  
472.17 Council under Minnesota Statutes, section 145.9285, by July 1, 2023, and must convene  
472.18 the first meeting by September 15, 2023. The commissioner must designate half of the  
472.19 members appointed under Minnesota Statutes, section 145.9285, subdivision 3, paragraph  
472.20 (a), clauses (1) to (4), to serve a two-year term and the remaining members will serve a  
472.21 four-year term. The commissioner may appoint people who are serving on or who have  
472.22 served on the council established under Laws 2019, First Special Session chapter 9, article  
472.23 11, section 107, subdivision 3.

472.24 Sec. 29. **APPOINTMENT OF COMMISSIONER OF CHILDREN, YOUTH, AND**  
472.25 **FAMILIES.**

472.26 The governor shall appoint a commissioner-designee of the Department of Children,  
472.27 Youth, and Families. The person appointed becomes the governor's appointee as the  
472.28 commissioner of children, youth, and families on July 1, 2024.

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



473.1 Sec. 30. **DATA PRACTICES.**

473.2 (a) To the extent not prohibited by state or federal law, and notwithstanding the data's  
473.3 classification under Minnesota Statutes, chapter 13:

473.4 (1) the commissioner of children, youth, and families may access data maintained by  
473.5 the commissioners of education, health, human services, and public safety related to the  
473.6 responsibilities transferred under section 31; and

473.7 (2) the commissioners of education, health, human services, and public safety may access  
473.8 data maintained by the commissioner of children, youth, and families related to each  
473.9 department's respective responsibilities transferred under section 31.

473.10 (b) Data sharing authorized by this section includes only the data necessary to coordinate  
473.11 department activities and services transferred under section 31.

473.12 (c) Any data shared under this section retain their classification from the agency holding  
473.13 the data.

473.14 (d) Existing limitations and legal requirements under Minnesota Statutes, chapter 13,  
473.15 including but not limited to any applicable data subject consent requirements, apply to any  
473.16 data accessed, transferred, disseminated, or shared under this section.

473.17 (e) This section expires July 1, 2027.

473.18 Sec. 31. **TRANSFERS FROM OTHER AGENCIES.**

473.19 Subdivision 1. **General.** (a) Between July 1, 2024, and July 1, 2025, the Departments  
473.20 of Human Services, Education, Health, and Public Safety must transition all of the  
473.21 responsibilities held by these departments and described in this section to the Department  
473.22 of Children, Youth, and Families.

473.23 (b) Notwithstanding paragraph (a), any programs identified in paragraph (a) that require  
473.24 federal approval to move to the Department of Children, Youth, and Families must be  
473.25 transferred on or after July 1, 2024, and upon the federal government granting transfer  
473.26 authority to the commissioner of children, youth, and families.

473.27 (c) The commissioner of children, youth, and families must report an effective date of  
473.28 the transfer of each responsibility identified in this section to the commissioners of  
473.29 administration, management and budget, and other relevant departments along with the  
473.30 secretary of the senate, the chief clerk of the house of representatives, and the chairs and  
473.31 ranking minority members of relevant legislative committees and divisions. The reported

474.1 date is the effective date of transfer of responsibilities under Minnesota Statutes, section  
474.2 15.039.

474.3 (d) The requirement in Minnesota Statutes, section 16B.37, subdivision 1, that a state  
474.4 agency must have been in existence for at least one year before being eligible for receiving  
474.5 a transfer of personnel, powers, or duties does not apply to the Department of Children,  
474.6 Youth, and Families.

474.7 (e) Notwithstanding Minnesota Statutes, section 15.039, subdivision 6, for the transfer  
474.8 of responsibilities conducted under this chapter, the unexpended balance of any appropriation  
474.9 to an agency for the purposes of any responsibilities that are transferred to the Department  
474.10 of Children, Youth, and Families, along with the operational functions to support the  
474.11 responsibilities transferred, including administrative, legal, information technology, and  
474.12 personnel support, and a proportional share of base funding, are reappropriated under the  
474.13 same conditions as the original appropriation to the Department of Children, Youth, and  
474.14 Families effective on the date of the transfer of responsibilities and related elements. The  
474.15 commissioner of management and budget shall identify and allocate any unexpended  
474.16 appropriations and base funding.

474.17 (f) The commissioner of children, youth, and families or management and budget may  
474.18 request an extension to transfer any responsibility listed in this section. The commissioner  
474.19 of children, youth, and families or management and budget may request that the transfer of  
474.20 any responsibility listed in this section be canceled if an effective date has not been reported  
474.21 under paragraph (c). Any request under this paragraph must be made in writing to the  
474.22 governor. Upon approval from the governor, the transfer may be delayed or canceled. Within  
474.23 ten days after receiving the approval of the governor, the commissioner who requested the  
474.24 transfer shall submit to the chairs and ranking minority members of relevant legislative  
474.25 committees and divisions a notice of any extensions or cancellations granted under this  
474.26 paragraph.

474.27 (g) The commissioner of children, youth, and families must provide four successive  
474.28 quarterly reports to relevant legislative committees on the status of transferring programs,  
474.29 responsibilities, and personnel under this section. The first report must cover the quarter  
474.30 starting July 1, 2024, and each report must be submitted by the 15th of the month following  
474.31 the quarter end.

474.32 Subd. 2. **Department of Human Services.** The powers and duties of the Department  
474.33 of Human Services with respect to the following responsibilities and related elements are

- 475.1 transferred to the Department of Children, Youth, and Families according to Minnesota  
475.2 Statutes, section 15.039:
- 475.3 (1) family services and community-based collaboratives under Minnesota Statutes,  
475.4 section 124D.23;
- 475.5 (2) child care programs under Minnesota Statutes, chapter 119B;
- 475.6 (3) the Parent Aware quality rating and improvement system under Minnesota Statutes,  
475.7 section 124D.142;
- 475.8 (4) migrant child care services under Minnesota Statutes, section 256M.50;
- 475.9 (5) early childhood and school-age professional development training under Laws 2007,  
475.10 chapter 147, article 2, section 56;
- 475.11 (6) licensure of family child care and child care centers, child foster care, and private  
475.12 child placing agencies under Minnesota Statutes, chapter 245A;
- 475.13 (7) certification of license-exempt child care centers under Minnesota Statutes, chapter  
475.14 245H;
- 475.15 (8) program integrity and fraud related to the Child Care Assistance Program (CCAP),  
475.16 the Minnesota Family Investment Program (MFIP), and the Supplemental Nutrition  
475.17 Assistance Program (SNAP) under Minnesota Statutes, chapters 119B and 245E;
- 475.18 (9) SNAP under Minnesota Statutes, sections 256D.60 to 256D.63;
- 475.19 (10) electronic benefit transactions under Minnesota Statutes, sections 256.9862,  
475.20 256.9863, 256.9865, 256.987, 256.9871, 256.9872, and 256J.77;
- 475.21 (11) Minnesota food assistance program under Minnesota Statutes, section 256D.64;
- 475.22 (12) Minnesota food shelf program under Minnesota Statutes, section 256E.34;
- 475.23 (13) MFIP and Temporary Assistance for Needy Families (TANF) under Minnesota  
475.24 Statutes, sections 256.9864 and 256.9865 and chapters 256J and 256P;
- 475.25 (14) Diversionary Work Program (DWP) under Minnesota Statutes, section 256J.95;
- 475.26 (15) resettlement programs under Minnesota Statutes, section 256B.06, subdivision 6;
- 475.27 (16) child abuse under Minnesota Statutes, chapter 256E;
- 475.28 (17) reporting of the maltreatment of minors under Minnesota Statutes, chapter 260E;
- 475.29 (18) children in voluntary foster care for treatment under Minnesota Statutes, chapter  
475.30 260D;

- 476.1 (19) juvenile safety and placement under Minnesota Statutes, chapter 260C;
- 476.2 (20) the Minnesota Indian Family Preservation Act under Minnesota Statutes, sections  
476.3 260.751 to 260.835;
- 476.4 (21) the Interstate Compact for Juveniles under Minnesota Statutes, section 260.515,  
476.5 and the Interstate Compact on the Placement of Children under Minnesota Statutes, sections  
476.6 260.851 to 260.93;
- 476.7 (22) adoption under Minnesota Statutes, sections 259.20 to 259.89;
- 476.8 (23) Northstar Care for Children under Minnesota Statutes, chapter 256N;
- 476.9 (24) child support under Minnesota Statutes, chapters 13, 13B, 214, 256, 256J, 257, 259,  
476.10 518, 518A, 518C, 551, 552, 571, and 588 and section 609.375;
- 476.11 (25) community action programs under Minnesota Statutes, sections 256E.30 to 256E.32;  
476.12 and
- 476.13 (26) Family Assets for Independence in Minnesota under Minnesota Statutes, section  
476.14 256E.35.
- 476.15 Subd. 3. **Department of Education.** The powers and duties of the Department of  
476.16 Education with respect to the following responsibilities and related elements are transferred  
476.17 to the Department of Children, Youth, and Families according to Minnesota Statutes, section  
476.18 15.039:
- 476.19 (1) Head Start Program and Early Head Start under Minnesota Statutes, sections 119A.50  
476.20 to 119A.545;
- 476.21 (2) the early childhood screening program under Minnesota Statutes, sections 121A.16  
476.22 to 121A.19;
- 476.23 (3) early learning scholarships under Minnesota Statutes, section 124D.165;
- 476.24 (4) the interagency early childhood intervention system under Minnesota Statutes,  
476.25 sections 125A.259 to 125A.48;
- 476.26 (5) voluntary prekindergarten programs and school readiness plus programs under  
476.27 Minnesota Statutes, section 124D.151;
- 476.28 (6) early childhood family education programs under Minnesota Statutes, sections  
476.29 124D.13 to 124D.135;
- 476.30 (7) school readiness under Minnesota Statutes, sections 124D.15 to 124D.16; and

477.1 (8) after-school community learning programs under Minnesota Statutes, section  
477.2 124D.2211.

477.3 Subd. 4. **Department of Public Safety.** The powers and duties of the Department of  
477.4 Public Safety with respect to the following responsibilities and related elements are  
477.5 transferred to the Department of Children, Youth, and Families according to Minnesota  
477.6 Statutes, section 15.039:

477.7 (1) the juvenile justice program under Minnesota Statutes, section 299A.72; and

477.8 (2) grants-in-aid to youth intervention programs under Minnesota Statutes, section  
477.9 299A.73.

477.10 **EFFECTIVE DATE.** This section is effective July 1, 2024.

477.11 Sec. 32. **TRANSITION REPORT TO THE LEGISLATURE.**

477.12 By March 1, 2024, the commissioner of management and budget must report to the  
477.13 legislature on the status of work related to establishing and setting up the Department of  
477.14 Children, Youth, and Families. The report must address, at a minimum:

477.15 (1) the completed, ongoing, and anticipated work related to the transfer of programs,  
477.16 responsibilities, and personnel to the department;

477.17 (2) the development of interagency agreements for services that will be shared across  
477.18 agencies;

477.19 (3) a description of efforts to secure needed federal approvals for the transfer of programs  
477.20 and responsibilities;

477.21 (4) engagement with leaders and staff of state agencies; Tribal governments; local service  
477.22 providers, including but not limited to county agencies, Tribal organizations, and school  
477.23 districts; families; and relevant stakeholders about the creation of the department and the  
477.24 transfer of programs, responsibilities, and personnel to the department; and

477.25 (5) plans and timelines related to the items referenced in clauses (1) through (4).

477.26 Sec. 33. **REVISOR INSTRUCTION.**

477.27 The revisor of statutes must identify, in consultation with the commissioners of  
477.28 management and budget; human services; education; health; and public safety and with  
477.29 nonpartisan legislative offices, any changes to Minnesota Statutes and Minnesota Rules  
477.30 necessary to facilitate the transfer of responsibilities under this act, the authority to fulfill  
477.31 the responsibilities under this act, and the related operational functions needed to implement

478.1 the necessary legal changes and responsibilities under this act. By February 1, 2024, the  
 478.2 revisor of statutes must submit to the chairs and ranking minority members of relevant  
 478.3 legislative committees and divisions draft legislation with the statutory changes necessary  
 478.4 to implement this act.

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

478.6 Sec. 34. **REPEALER.**

478.7 Minnesota Statutes 2022, section 119B.03, subdivision 4, is repealed.

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

## 478.9 **ARTICLE 14**

### 478.10 **CHILD CARE WORKFORCE**

478.11 Section 1. Minnesota Statutes 2022, section 119B.011, subdivision 19a, is amended to  
 478.12 read:

478.13 Subd. 19a. **Registration.** "Registration" means the process used by ~~a county~~ the  
 478.14 commissioner to determine whether the provider selected by a family applying for or  
 478.15 receiving child care assistance to care for that family's children meets the requirements  
 478.16 necessary for payment of child care assistance for care provided by that provider. The  
 478.17 commissioner shall create a process for statewide registration by April 28, 2025.

478.18 **EFFECTIVE DATE.** This section is effective April 28, 2025.

478.19 Sec. 2. Minnesota Statutes 2022, section 119B.125, subdivision 1, is amended to read:

478.20 Subdivision 1. **Authorization.** ~~A county or~~ The commissioner must authorize the provider  
 478.21 chosen by an applicant or a participant before the county can authorize payment for care  
 478.22 provided by that provider. The commissioner must establish the requirements necessary for  
 478.23 authorization of providers. A provider must be reauthorized every two years. ~~A legal,~~  
 478.24 ~~nonlicensed family child care provider also must be reauthorized when another person over~~  
 478.25 ~~the age of 13 joins the household, a current household member turns 13, or there is reason~~  
 478.26 ~~to believe that a household member has a factor that prevents authorization. The provider~~  
 478.27 ~~is required to report all family changes that would require reauthorization. When a provider~~  
 478.28 ~~has been authorized for payment for providing care for families in more than one county,~~  
 478.29 ~~the county responsible for reauthorization of that provider is the county of the family with~~  
 478.30 ~~a current authorization for that provider and who has used the provider for the longest length~~  
 478.31 ~~of time.~~

479.1 **EFFECTIVE DATE.** This section is effective April 28, 2025.

479.2 Sec. 3. Minnesota Statutes 2022, section 119B.125, subdivision 1a, is amended to read:

479.3 Subd. 1a. **Background study required.** (a) This subdivision only applies to legal,  
479.4 nonlicensed family child care providers.

479.5 (b) Prior to authorization, ~~and as part of each reauthorization required in subdivision 1,~~  
479.6 ~~the county~~ the commissioner shall perform a background study on ~~every member of the~~  
479.7 ~~provider's household who is age 13 and older. The county shall also perform a background~~  
479.8 ~~study on an individual who has reached age ten but is not yet age 13 and is living in the~~  
479.9 ~~household where the nonlicensed child care will be provided when the county has reasonable~~  
479.10 ~~cause as defined under section 245C.02, subdivision 15~~ individuals identified under section  
479.11 245C.02, subdivision 6a.

479.12 (c) After authorization, a background study shall also be performed when an individual  
479.13 identified under section 245C.02, subdivision 6a, joins the household. The provider must  
479.14 report all family changes that would require a new background study.

479.15 (d) At each reauthorization, the commissioner shall ensure that a background study  
479.16 through NETStudy 2.0 has been performed on all individuals in the provider's household  
479.17 for whom a background study is required under paragraphs (b) and (c).

479.18 (e) Prior to a background study through NETStudy 2.0 expiring, another background  
479.19 study shall be completed on all individuals for whom the background study is expiring.

479.20 **EFFECTIVE DATE.** This section is effective April 28, 2025.

479.21 Sec. 4. Minnesota Statutes 2022, section 119B.125, subdivision 1b, is amended to read:

479.22 Subd. 1b. **Training required.** (a) ~~Effective November 1, 2011,~~ Prior to initial  
479.23 authorization as required in subdivision 1, a legal nonlicensed family child care provider  
479.24 must complete first aid and CPR training and provide the verification of first aid and CPR  
479.25 training to the ~~county~~ commissioner. The training documentation must have valid effective  
479.26 dates as of the date the registration request is submitted to the ~~county~~ commissioner. The  
479.27 training must have been provided by an individual approved to provide first aid and CPR  
479.28 instruction and have included CPR techniques for infants and children.

479.29 (b) ~~Legal nonlicensed family child care providers with an authorization effective before~~  
479.30 ~~November 1, 2011, must be notified of the requirements before October 1, 2011, or at~~  
479.31 ~~authorization, and must meet the requirements upon renewal of an authorization that occurs~~  
479.32 ~~on or after January 1, 2012.~~

480.1 ~~(e)~~ (b) Upon each reauthorization after the authorization period when the initial first aid  
 480.2 and CPR training requirements are met, a legal nonlicensed family child care provider must  
 480.3 provide verification of at least eight hours of additional training listed in the Minnesota  
 480.4 Center for Professional Development Registry.

480.5 ~~(d)~~ (c) This subdivision only applies to legal nonlicensed family child care providers.

480.6 **EFFECTIVE DATE.** This section is effective April 28, 2025.

480.7 Sec. 5. Minnesota Statutes 2022, section 119B.125, subdivision 2, is amended to read:

480.8 Subd. 2. **Persons who cannot be authorized.** (a) The provider seeking authorization  
 480.9 under this section shall collect the information required under section 245C.05, ~~subdivision~~  
 480.10 ~~1,~~ and forward the information to the ~~county agency~~ commissioner. The background study  
 480.11 must include a review of the information required under section 245C.08, ~~subdivisions 2,~~  
 480.12 ~~subdivision 3, and 4, paragraph (b).~~

480.13 (b) A legal nonlicensed family child care provider is not authorized under this section  
 480.14 if:

480.15 ~~(1) the commissioner determines that any household member who is the subject of a~~  
 480.16 ~~background study is determined to have a disqualifying characteristic under paragraphs (b)~~  
 480.17 ~~to (e) or under section 245C.14 or 245C.15. If a county has determined that a provider is~~  
 480.18 ~~able to be authorized in that county, and a family in another county later selects that provider,~~  
 480.19 ~~the provider is able to be authorized in the second county without undergoing a new~~  
 480.20 ~~background investigation unless one of the following conditions exists: disqualified from~~  
 480.21 ~~direct contact with, or from access to, persons served by the program and that disqualification~~  
 480.22 ~~has not been set aside or a variance has not been granted under chapter 245C;~~

480.23 ~~(1) two years have passed since the first authorization;~~

480.24 ~~(2) another person age 13 or older has joined the provider's household since the last~~  
 480.25 ~~authorization;~~

480.26 ~~(3) a current household member has turned 13 since the last authorization; or~~

480.27 ~~(4) there is reason to believe that a household member has a factor that prevents~~  
 480.28 ~~authorization.~~

480.29 ~~(b)~~ (2) the person has refused to give written consent for disclosure of criminal history  
 480.30 records;

480.31 ~~(e)~~ (3) the person has been denied a family child care license ~~or has received a fine or~~  
 480.32 ~~a sanction as a licensed child care provider that has not been reversed on appeal;~~



481.1 ~~(d)~~ (4) the person has a family child care licensing disqualification that has not been set  
481.2 aside; or

481.3 ~~(e)~~ (5) the person has admitted or a county has found that there is a preponderance of  
481.4 evidence that fraudulent information was given to the county for child care assistance  
481.5 application purposes or was used in submitting child care assistance bills for payment.

481.6 **EFFECTIVE DATE.** This section is effective April 28, 2025.

481.7 Sec. 6. Minnesota Statutes 2022, section 119B.125, subdivision 3, is amended to read:

481.8 Subd. 3. **Authorization exception.** When a ~~county~~ the commissioner denies a person  
481.9 authorization as a legal nonlicensed family child care provider under subdivision 2, the  
481.10 ~~county commissioner~~ later may authorize that person as a provider if the following conditions  
481.11 are met:

481.12 (1) after receiving notice of the denial of the authorization, the person applies for and  
481.13 obtains a valid child care license issued under chapter 245A, issued by a Tribe, or issued  
481.14 by another state;

481.15 (2) the person maintains the valid child care license; and

481.16 (3) the person is providing child care in the state of licensure or in the area under the  
481.17 jurisdiction of the licensing Tribe.

481.18 **EFFECTIVE DATE.** This section is effective April 28, 2025.

481.19 Sec. 7. Minnesota Statutes 2022, section 119B.125, subdivision 4, is amended to read:

481.20 Subd. 4. **Unsafe care.** ~~A county~~ The commissioner may deny authorization as a child  
481.21 care provider to any applicant or rescind authorization of any provider when ~~the a county~~  
481.22 or commissioner knows or has reason to believe that the provider is unsafe or that the  
481.23 circumstances of the chosen child care arrangement are unsafe. ~~The county must include~~  
481.24 ~~the conditions under which a provider or care arrangement will be determined to be unsafe~~  
481.25 ~~in the county's child care fund plan under section 119B.08, subdivision 3~~ commissioner  
481.26 shall introduce statewide criteria for unsafe care by April 28, 2025.

481.27 **EFFECTIVE DATE.** This section is effective April 28, 2025.

481.28 Sec. 8. Minnesota Statutes 2022, section 119B.125, subdivision 6, is amended to read:

481.29 Subd. 6. **Record-keeping requirement.** (a) As a condition of payment, all providers  
481.30 receiving child care assistance payments must:

482.1 (1) keep accurate and legible daily attendance records at the site where services are  
482.2 delivered for children receiving child care assistance; and

482.3 (2) make those records available immediately to the county or the commissioner upon  
482.4 request. Any records not provided to a county or the commissioner at the date and time of  
482.5 the request are deemed inadmissible if offered as evidence by the provider in any proceeding  
482.6 to contest an overpayment or disqualification of the provider.

482.7 (b) As a condition of payment, attendance records must be completed daily and include  
482.8 the date, the first and last name of each child in attendance, and the times when each child  
482.9 is dropped off and picked up. To the extent possible, the times that the child was dropped  
482.10 off to and picked up from the child care provider must be entered by the person dropping  
482.11 off or picking up the child. The daily attendance records must be retained at the site where  
482.12 services are delivered for six years after the date of service.

482.13 ~~(c) A county or the commissioner may deny or revoke a provider's authorization to~~  
482.14 ~~receive child care assistance payments under section 119B.13, subdivision 6, paragraph (d);~~  
482.15 ~~pursue a fraud disqualification under section 256.98, take an action against the provider~~  
482.16 ~~under chapter 245E, or establish an attendance record overpayment under paragraph (d)~~  
482.17 ~~against a current or former provider;~~ When the county or the commissioner knows or has  
482.18 reason to believe that the a current or former provider has not complied with the  
482.19 record-keeping requirement in this subdivision: \_

482.20 (1) the commissioner may:

482.21 (i) deny or revoke a provider's authorization to receive child care assistance payments  
482.22 under section 119B.13, subdivision 6, paragraph (d);

482.23 (ii) pursue an administrative disqualification under sections 256.046, subdivision 3, and  
482.24 256.98; or

482.25 (iii) take an action against the provider under chapter 245E; or

482.26 (2) a county or the commissioner may establish an attendance record overpayment under  
482.27 paragraph (d).

482.28 (d) To calculate an attendance record overpayment under this subdivision, the  
482.29 commissioner or county agency shall subtract the maximum daily rate from the total amount  
482.30 paid to a provider for each day that a child's attendance record is missing, unavailable,  
482.31 incomplete, inaccurate, or otherwise inadequate.

482.32 (e) The commissioner shall develop criteria for a county to determine an attendance  
482.33 record overpayment under this subdivision.

483.1 **EFFECTIVE DATE.** This section is effective April 28, 2025.

483.2 Sec. 9. Minnesota Statutes 2022, section 119B.125, subdivision 7, is amended to read:

483.3 Subd. 7. **Failure to comply with attendance record requirements.** (a) In establishing  
483.4 an overpayment claim for failure to provide attendance records in compliance with  
483.5 subdivision 6, the county or commissioner is limited to the six years prior to the date the  
483.6 county or the commissioner requested the attendance records.

483.7 (b) The commissioner or county may periodically audit child care providers to determine  
483.8 compliance with subdivision 6.

483.9 (c) When the commissioner or county establishes an overpayment claim against a current  
483.10 or former provider, the commissioner or county must provide notice of the claim to the  
483.11 provider. A notice of overpayment claim must specify the reason for the overpayment, the  
483.12 authority for making the overpayment claim, the time period in which the overpayment  
483.13 occurred, the amount of the overpayment, and the provider's right to appeal.

483.14 (d) The commissioner or county shall seek to recoup or recover overpayments paid to  
483.15 a current or former provider.

483.16 (e) When a provider has been disqualified or convicted of fraud under section 256.98,  
483.17 theft under section 609.52, or a federal crime relating to theft of state funds or fraudulent  
483.18 billing for a program administered by the commissioner or a county, recoupment or recovery  
483.19 must be sought regardless of the amount of overpayment.

483.20 **EFFECTIVE DATE.** This section is effective April 28, 2025.

483.21 Sec. 10. Minnesota Statutes 2022, section 119B.13, subdivision 6, is amended to read:

483.22 Subd. 6. **Provider payments.** (a) A provider shall bill only for services documented  
483.23 according to section 119B.125, subdivision 6. The provider shall bill for services provided  
483.24 within ten days of the end of the service period. Payments under the child care fund shall  
483.25 be made within 21 days of receiving a complete bill from the provider. Counties or the state  
483.26 may establish policies that make payments on a more frequent basis.

483.27 (b) If a provider has received an authorization of care and been issued a billing form for  
483.28 an eligible family, the bill must be submitted within 60 days of the last date of service on  
483.29 the bill. A bill submitted more than 60 days after the last date of service must be paid if the  
483.30 county determines that the provider has shown good cause why the bill was not submitted  
483.31 within 60 days. Good cause must be defined in the county's child care fund plan under  
483.32 section 119B.08, subdivision 3, and the definition of good cause must include county error.

484.1 Any bill submitted more than a year after the last date of service on the bill must not be  
484.2 paid.

484.3 (c) If a provider provided care for a time period without receiving an authorization of  
484.4 care and a billing form for an eligible family, payment of child care assistance may only be  
484.5 made retroactively for a maximum of three months from the date the provider is issued an  
484.6 authorization of care and a billing form. For a family at application, if a provider provided  
484.7 child care during a time period without receiving an authorization of care and a billing form,  
484.8 a county may only make child care assistance payments to the provider retroactively from  
484.9 the date that child care began, or from the date that the family's eligibility began under  
484.10 section 119B.09, subdivision 7, or from the date that the family meets authorization  
484.11 requirements, not to exceed six months from the date that the provider is issued an  
484.12 authorization of care and a billing form, whichever is later.

484.13 (d) ~~A county or~~ The commissioner may refuse to issue a child care authorization to a  
484.14 certified, licensed, or legal nonlicensed provider, revoke an existing child care authorization  
484.15 to a certified, licensed, or legal nonlicensed provider, stop payment issued to a certified,  
484.16 licensed, or legal nonlicensed provider, or refuse to pay a bill submitted by a certified,  
484.17 licensed, or legal nonlicensed provider if:

484.18 (1) the provider admits to intentionally giving the county materially false information  
484.19 on the provider's billing forms;

484.20 (2) ~~a county or~~ the commissioner finds by a preponderance of the evidence that the  
484.21 provider intentionally gave the county materially false information on the provider's billing  
484.22 forms, or provided false attendance records to a county or the commissioner;

484.23 (3) the provider is in violation of child care assistance program rules, until the agency  
484.24 determines those violations have been corrected;

484.25 (4) the provider is operating after:

484.26 (i) an order of suspension of the provider's license issued by the commissioner;

484.27 (ii) an order of revocation of the provider's license issued by the commissioner; or

484.28 (iii) an order of decertification issued to the provider;

484.29 (5) the provider submits false attendance reports or refuses to provide documentation  
484.30 of the child's attendance upon request;

484.31 (6) the provider gives false child care price information; or

485.1 (7) the provider fails to report decreases in a child's attendance as required under section  
485.2 119B.125, subdivision 9.

485.3 (e) For purposes of paragraph (d), clauses (3), (5), (6), and (7), ~~the county or the~~  
485.4 commissioner may withhold the provider's authorization or payment for a period of time  
485.5 not to exceed three months beyond the time the condition has been corrected.

485.6 (f) A county's payment policies must be included in the county's child care plan under  
485.7 section 119B.08, subdivision 3. If payments are made by the state, in addition to being in  
485.8 compliance with this subdivision, the payments must be made in compliance with section  
485.9 16A.124.

485.10 (g) If the commissioner ~~or responsible county agency~~ suspends or refuses payment to a  
485.11 provider under paragraph (d), clause (1) or (2), or chapter 245E and the provider has:

485.12 (1) a disqualification for wrongfully obtaining assistance under section 256.98,  
485.13 subdivision 8, paragraph (c);

485.14 (2) an administrative disqualification under section 256.046, subdivision 3; or

485.15 (3) a termination under section 245E.02, subdivision 4, paragraph (c), clause (4), or  
485.16 245E.06;

485.17 then the provider forfeits the payment to the commissioner or the responsible county agency,  
485.18 regardless of the amount assessed in an overpayment, charged in a criminal complaint, or  
485.19 ordered as criminal restitution.

485.20 **EFFECTIVE DATE.** This section is effective April 28, 2025.

485.21 Sec. 11. Minnesota Statutes 2022, section 119B.16, subdivision 1c, is amended to read:

485.22 Subd. 1c. **Notice to providers.** (a) Before taking an action appealable under subdivision  
485.23 1a, paragraph (b), a county agency or the commissioner must mail written notice to the  
485.24 provider against whom the action is being taken. Unless otherwise specified under this  
485.25 chapter, chapter 245E, or Minnesota Rules, chapter 3400, a county agency or the  
485.26 commissioner must mail the written notice at least 15 calendar days before the adverse  
485.27 action's effective date.

485.28 (b) The notice shall state (1) the factual basis for the county agency or department's  
485.29 determination, (2) the action the county agency or department intends to take, (3) the dollar  
485.30 amount of the monetary recovery or recoupment, if known, and (4) the provider's right to  
485.31 appeal the department's proposed action.

485.32 **EFFECTIVE DATE.** This section is effective April 28, 2025.

486.1 Sec. 12. Minnesota Statutes 2022, section 119B.16, subdivision 3, is amended to read:

486.2 Subd. 3. **Fair hearing stayed.** (a) If ~~a county agency or~~ the commissioner denies or  
486.3 revokes a provider's authorization based on a licensing action under section 245A.07, and  
486.4 the provider appeals, the provider's fair hearing must be stayed until the commissioner issues  
486.5 an order as required under section 245A.08, subdivision 5.

486.6 (b) If the commissioner denies or revokes a provider's authorization based on  
486.7 decertification under section 245H.07, and the provider appeals, the provider's fair hearing  
486.8 must be stayed until the commissioner issues a final order as required under section 245H.07.

486.9 **EFFECTIVE DATE.** This section is effective April 28, 2025.

486.10 Sec. 13. Minnesota Statutes 2022, section 119B.161, subdivision 2, is amended to read:

486.11 Subd. 2. **Notice.** (a) ~~A county agency or~~ The commissioner must mail written notice to  
486.12 a provider within five days of suspending payment or denying or revoking the provider's  
486.13 authorization under subdivision 1.

486.14 (b) The notice must:

486.15 (1) state the provision under which ~~a county agency or~~ the commissioner is denying,  
486.16 revoking, or suspending the provider's authorization or suspending payment to the provider;

486.17 (2) set forth the general allegations leading to the denial, revocation, or suspension of  
486.18 the provider's authorization. The notice need not disclose any specific information concerning  
486.19 an ongoing investigation;

486.20 (3) state that the denial, revocation, or suspension of the provider's authorization is for  
486.21 a temporary period and explain the circumstances under which the action expires; and

486.22 (4) inform the provider of the right to submit written evidence and argument for  
486.23 consideration by the commissioner.

486.24 (c) Notwithstanding Minnesota Rules, part 3400.0185, if ~~a county agency or~~ the  
486.25 commissioner suspends payment to a provider under chapter 245E or denies or revokes a  
486.26 provider's authorization under section 119B.13, subdivision 6, paragraph (d), clause (1) or  
486.27 (2), a county agency or the commissioner must send notice of service authorization closure  
486.28 to each affected family. The notice sent to an affected family is effective on the date the  
486.29 notice is created.

486.30 **EFFECTIVE DATE.** This section is effective April 28, 2025.

487.1 Sec. 14. Minnesota Statutes 2022, section 119B.161, subdivision 3, is amended to read:

487.2 Subd. 3. **Duration.** If a provider's payment is suspended under chapter 245E or a  
487.3 provider's authorization is denied or revoked under section 119B.13, subdivision 6, paragraph  
487.4 (d), clause (1) or (2), the provider's denial, revocation, temporary suspension, or payment  
487.5 suspension remains in effect until:

487.6 (1) the commissioner or a law enforcement authority determines that there is insufficient  
487.7 evidence warranting the action and ~~a county agency or~~ the commissioner does not pursue  
487.8 an additional administrative remedy under chapter 245E or section 256.98; or

487.9 (2) all criminal, civil, and administrative proceedings related to the provider's alleged  
487.10 misconduct conclude and any appeal rights are exhausted.

487.11 **EFFECTIVE DATE.** This section is effective April 28, 2025.

487.12 Sec. 15. Minnesota Statutes 2022, section 119B.19, subdivision 7, is amended to read:

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

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

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

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

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

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

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

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

487.25 (8) assist in fostering coordination, collaboration, and planning among child care programs  
487.26 and community programs such as school readiness, Head Start, early childhood family  
487.27 education, local interagency early intervention committees, early childhood screening,  
487.28 special education services, and other early childhood care and education services and  
487.29 programs that provide flexible, family-focused services to families with young children to  
487.30 the extent possible.;

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

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

488.8 Sec. 16. **[119B.252] EARLY CHILDHOOD REGISTERED APPRENTICESHIP**  
488.9 **GRANT PROGRAM.**

488.10 Subdivision 1. **Establishment.** The commissioner of human services shall, in coordination  
488.11 with the commissioner of labor and industry, establish an apprenticeship grant program to  
488.12 provide employment-based training and mentoring opportunities for early childhood workers.

488.13 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the  
488.14 meanings given.

488.15 (b) "Apprentice" means an employee participating in an early childhood registered  
488.16 apprenticeship program.

488.17 (c) "Early childhood registered apprenticeship program" means an organization registered  
488.18 with the Department of Labor and Industry under chapter 178, registered with the Office  
488.19 of Apprenticeship within the United States Department of Labor, or registered with a  
488.20 recognized state apprenticeship agency under Code of Federal Regulations, title 29, parts  
488.21 29 and 30, and who is:

488.22 (1) a licensed child care center under Minnesota Rules, chapter 9503;

488.23 (2) a licensed family and group family child care provider under Minnesota Rules,  
488.24 chapter 9502;

488.25 (3) a public prekindergarten program under section 124D.13, 124D.135, sections 124D.15  
488.26 to 124D.16, 125A.01 to 125A.05, or 125A.26 to 125A.48, or Laws 2017, First Special  
488.27 Session chapter 5, article 8, section 9;

488.28 (4) a Head Start program under sections 119A.50 to 119A.54; or

488.29 (5) a certified, license-exempt child care center under chapter 245H.

488.30 (d) "Mentor" means an early childhood registered apprenticeship program journeyworker  
488.31 under section 178.011, subdivision 9, and who has a career lattice step of nine or higher.



489.1 Subd. 3. **Program components.** The organization holding the TEACH license with the  
489.2 Department of Human Services shall distribute the grant and must use the grant for:

489.3 (1) tuition scholarships for apprentices for courses leading to a higher education degree  
489.4 in early childhood;

489.5 (2) stipends for mentors; or

489.6 (3) stipends for early childhood registered apprenticeship programs.

489.7 Subd. 4. **Grants to apprentices.** An apprentice may receive a higher education  
489.8 scholarship of up to \$10,000 for up to 24 months under this section, provided the apprentice:

489.9 (1) enrolls in an early childhood registered apprenticeship program;

489.10 (2) is a current participant in good standing in the TEACH scholarship program under  
489.11 section 119B.251;

489.12 (3) participates in monthly meetings with a mentor;

489.13 (4) works toward meeting early childhood competencies identified in Minnesota's  
489.14 Knowledge and Competency Framework for early childhood professionals, as observed by  
489.15 a mentor; and

489.16 (5) works toward the attainment of a higher education degree in early childhood.

489.17 Subd. 5. **Allowable uses.** Grant recipients may use grant money for personal expenses.

489.18 Subd. 6. **Stipends for mentors.** A mentor shall receive up to \$4,000 for each apprentice  
489.19 mentored under this section, provided the mentor complies with the requirements in the  
489.20 apprenticeship program standard and completes eight weeks of mentor training and additional  
489.21 training on observation. The training must be free of charge to mentors.

489.22 Subd. 7. **Stipends for early childhood registered apprenticeship programs.** (a) An  
489.23 early childhood registered apprenticeship program shall receive up to \$5,000 for the first  
489.24 apprentice and up to \$2,500 for each additional apprentice employed under this section,  
489.25 provided the early childhood registered apprenticeship program complies with the  
489.26 requirements in the apprenticeship program standard and the following requirements:

489.27 (1) sponsor each apprentice's TEACH scholarship under section 119B.251; and

489.28 (2) provide each apprentice at least three hours a week of paid release time for  
489.29 coursework.

489.30 (b) An early childhood program may not host more than three apprentices at one site in  
489.31 a 12-month period.

490.1 Sec. 17. **[119B.27] CHILD CARE RETENTION PROGRAM.**

490.2 **Subdivision 1. Establishment.** A child care retention program is established to provide  
490.3 eligible child care programs with payments to improve access to child care in Minnesota  
490.4 and to strengthen the ability of child care programs to recruit and retain qualified early  
490.5 educators to work in child care programs. The child care retention program shall be  
490.6 administered by the commissioner of human services.

490.7 **Subd. 2. Eligible programs.** (a) The following programs are eligible to receive child  
490.8 care retention payments under this section:

490.9 (1) family and group family child care homes licensed under Minnesota Rules, chapter  
490.10 9502;

490.11 (2) child care centers licensed under Minnesota Rules, chapter 9503;

490.12 (3) certified license-exempt child care centers under chapter 245H;

490.13 (4) Tribally licensed child care programs; and

490.14 (5) other programs as determined by the commissioner.

490.15 **(b) To be eligible, programs must not be:**

490.16 (1) the subject of a finding of fraud for which the program or individual is currently  
490.17 serving a penalty or exclusion;

490.18 (2) the subject of suspended, denied, or terminated payments to a provider under section  
490.19 256.98, subdivision 1; 119B.13, subdivision 6, paragraph (d), clauses (1) and (2); or 245E.02,  
490.20 subdivision 4, paragraph (c), clause (4), regardless of whether the action is under appeal;

490.21 (3) prohibited from receiving public funds under section 245.095, regardless of whether  
490.22 the action is under appeal; or

490.23 (4) under license revocation, suspension, temporary immediate suspension, or  
490.24 decertification, regardless of whether the action is under appeal.

490.25 **Subd. 3. Requirements.** (a) As a condition of payment, all providers receiving retention  
490.26 payments under this section must:

490.27 (1) complete an application developed by the commissioner for each payment period  
490.28 for which the eligible program applies for funding;

490.29 (2) attest and agree in writing that the program was open and operating and served a  
490.30 minimum number of children, as determined by the commissioner, during the funding  
490.31 period, with the exceptions of:

491.1 (i) service disruptions that are necessary to protect the safety and health of children and  
491.2 child care programs based on public health guidance issued by the Centers for Disease  
491.3 Control and Prevention, the commissioner of health, the commissioner of human services,  
491.4 or a local public health agency; and

491.5 (ii) planned temporary closures for provider vacation and holidays during each payment  
491.6 period. The maximum allowed duration of vacations and holidays must be established by  
491.7 the commissioner; and

491.8 (3) submit data on child enrollment and attendance to the commissioner in the form and  
491.9 manner prescribed by the commissioner.

491.10 (b) Money received under this section must be expended by a provider no later than six  
491.11 months after the date the payment was received.

491.12 (c) Recipients must comply with all requirements listed in the application under this  
491.13 section. Methods for demonstrating that requirements have been met shall be determined  
491.14 by the commissioner.

491.15 (d) Recipients must keep accurate and legible records of the following at the site where  
491.16 services are delivered:

491.17 (1) use of money;

491.18 (2) attendance records. Daily attendance records must be completed every day and  
491.19 include the date, the first and last name of each child in attendance, and the times when  
491.20 each child is dropped off and picked up. To the extent possible, the times that the child was  
491.21 dropped off and picked up from the child care provider must be entered by the person  
491.22 dropping off or picking up the child; and

491.23 (3) staff employment, compensation, and benefits records. Employment, compensation,  
491.24 and benefits records must include time sheets or other records of daily hours worked;  
491.25 documentation of compensation and benefits; documentation of written changes to employees'  
491.26 rate or rates of pay and basis thereof as a result of retention payments, as required under  
491.27 section 181.032, paragraphs (d) to (f); and any other records required to be maintained under  
491.28 section 177.30.

491.29 (e) The requirement to document compensation and benefits only applies to family child  
491.30 care providers if retention payment money are used for employee compensation and benefits.

491.31 (f) All records must be retained at the site where services are delivered for six years after  
491.32 the date of receipt of payment and be made immediately available to the commissioner upon  
491.33 request. Any records not provided to the commissioner at the date and time of the request

492.1 are deemed inadmissible if offered as evidence by a provider in any proceeding to contest  
492.2 an overpayment or disqualification of the provider.

492.3 (g) Recipients that fail to meet the requirements under this section are subject to  
492.4 discontinuation of future installment payments, recovery of overpayments, and actions under  
492.5 chapter 245E. Except when based on a finding of fraud, actions to establish an overpayment  
492.6 must be made within six years of receipt of the payments. Once an overpayment is  
492.7 established, collection may continue until money has been repaid in full. The appeal process  
492.8 under section 119B.16 applies to actions taken for failure to meet the requirements of this  
492.9 section.

492.10 Subd. 4. **Providing payments.** (a) The commissioner shall provide retention payments  
492.11 under this section to all eligible programs on a noncompetitive basis.

492.12 (b) The commissioner shall award retention payments to all eligible programs. The  
492.13 payment amounts shall be based on the number of full-time equivalent staff who regularly  
492.14 care for children in the program, including any employees, sole proprietors, or independent  
492.15 contractors.

492.16 (c) One full-time equivalent is defined as an individual caring for children 32 hours per  
492.17 week. An individual can count as more or less than one full-time equivalent staff, but as no  
492.18 more than two full-time equivalent staff.

492.19 (d) The amount awarded per full-time equivalent individual caring for children for each  
492.20 payment type must be established by the commissioner.

492.21 (e) Payments must be increased by 25 percent for providers receiving payments through  
492.22 the child care assistance programs under section 119B.03 or 119B.05 or early learning  
492.23 scholarships under section 124D.165 or whose program is located in a child care access  
492.24 equity area. Child care access equity areas are areas with low access to child care, high  
492.25 poverty rates, high unemployment rates, low home ownership rates, and low median  
492.26 household incomes. The commissioner must develop a method for establishing child care  
492.27 access equity areas.

492.28 (f) The commissioner shall make payments to eligible programs under this section in  
492.29 the form, frequency, and manner established by the commissioner.

492.30 Subd. 5. **Eligible uses of money.** (a) Recipients that are child care centers licensed under  
492.31 Minnesota Rules, chapter 9503; certified license-exempt child care centers under chapter  
492.32 245H; or Tribally licensed child care centers must use money provided under this section  
492.33 to pay for increases in compensation, benefits, premium pay, or additional federal taxes

493.1 assessed on the compensation of employees as a result of paying increased compensation  
493.2 or premium pay to all paid employees or independent contractors regularly caring for  
493.3 children. The increases in this paragraph must occur no less frequently than once per year.

493.4 (b) Recipients that are family and group family child care homes licensed under  
493.5 Minnesota Rules, chapter 9502, or are Tribally licensed family child care homes shall use  
493.6 money provided under this section for one or more of the following uses:

493.7 (1) paying personnel costs, such as payroll, salaries, or similar compensation; employee  
493.8 benefits; premium pay; or financial incentives for recruitment and retention for an employee,  
493.9 a sole proprietor, or an independent contractor;

493.10 (2) paying rent, including rent under a lease agreement, or making payments on any  
493.11 mortgage obligation, utilities, facility maintenance or improvements, property taxes, or  
493.12 insurance;

493.13 (3) purchasing or updating equipment, supplies, goods, or services;

493.14 (4) providing mental health supports for children; or

493.15 (5) purchasing training or other professional development.

493.16 Subd. 6. **Legal nonlicensed child care provider payments.** (a) Legal nonlicensed child  
493.17 care providers, as defined in section 119B.011, subdivision 16, may be eligible to apply for  
493.18 a payment of up to \$500 for costs incurred before the first month when payments from the  
493.19 child care assistance program are issued.

493.20 (b) Payments must be used on one or more of the following eligible activities to meet  
493.21 child care assistance program requirements under sections 119B.03 and 119B.05:

493.22 (1) purchasing or updating equipment, supplies, goods, or services; or

493.23 (2) purchasing training or other professional development.

493.24 (c) The commissioner shall determine the form and manner of the application for a  
493.25 payment under this subdivision.

493.26 Subd. 7. **Carryforward authority.** Money appropriated under this section are available  
493.27 until expended.

493.28 Subd. 8. **Report.** By January 1 each year, the commissioner must report to the chairs  
493.29 and ranking minority members of the legislative committees with jurisdiction over child  
493.30 care the number of payments provided to recipients and outcomes of the retention payment  
493.31 program since the last report. This subdivision expires January 31, 2033.

494.1 Sec. 18. **[119B.28] SHARED SERVICES GRANTS.**

494.2 (a) The commissioner of human services shall establish a grant program to distribute  
494.3 money for the planning, establishment, expansion, improvement, or operation of shared  
494.4 services alliances to allow family child care providers to achieve economies of scale. The  
494.5 commissioner must develop a process to fund organizations to operate shared services  
494.6 alliances that includes application forms, timelines, and standards for renewal. For purposes  
494.7 of this section, "shared services alliances" means networks of licensed family child care  
494.8 providers that share services to reduce costs and achieve efficiencies.

494.9 (b) Programs eligible to be a part of the shared services alliances supported through this  
494.10 grant program include:

494.11 (1) family child care or group family child care homes licensed under Minnesota Rules,  
494.12 chapter 9502;

494.13 (2) Tribally licensed family child care or group family child care; and

494.14 (3) individuals in the process of starting a family child care or group family child care  
494.15 home.

494.16 (c) Eligible applicants include public entities and private for-profit and nonprofit  
494.17 organizations.

494.18 (d) Grantees shall use the grant money to deliver one or more of the following services:

494.19 (1) pooling the management of payroll and benefits, banking, janitorial services, food  
494.20 services, and other operations;

494.21 (2) shared administrative staff for tasks such as record keeping and reporting for programs  
494.22 such as the child care assistance program, Head Start, the child and adult care food program,  
494.23 and early learning scholarships;

494.24 (3) coordination of bulk purchasing;

494.25 (4) management of a substitute pool;

494.26 (5) support for implementing shared curriculum and assessments;

494.27 (6) mentoring child care provider participants to improve business practices;

494.28 (7) provision of and training in child care management software to simplify processes  
494.29 such as enrollment, billing, and tracking expenditures;

494.30 (8) support for a group of providers sharing one or more physical spaces within a larger  
494.31 building; or

495.1 (9) other services as determined by the commissioner.

495.2 (e) The commissioner must consult with the commissioner of management and budget  
495.3 on program outcomes, evaluation metrics, and progress indicators for the grant program  
495.4 under this section. The commissioner must only implement program outcomes, evaluation  
495.5 metrics, and progress indicators that are determined through and agreed upon during the  
495.6 consultation with the commissioner of management and budget. The commissioner shall  
495.7 not implement the grant program under this section until the consultation with the  
495.8 commissioner of management and budget is completed. The commissioner must incorporate  
495.9 agreed upon program outcomes, evaluation metrics, and progress indicators into grant  
495.10 applications, requests for proposals, and any reports to the legislature.

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

495.12 Sec. 19. **[119B.29] CHILD CARE PROVIDER ACCESS TO TECHNOLOGY**  
495.13 **GRANTS.**

495.14 (a) The commissioner of human services shall distribute money provided by this section  
495.15 through grants to one or more organizations to offer grants or other supports to child care  
495.16 providers for technology intended to improve the providers' business practices. The  
495.17 commissioner must develop a process to fund organizations to provide technology supports  
495.18 that includes application forms, timelines, reporting requirements, and standards for renewal.

495.19 (b) Programs eligible to be supported through this grant program include:

495.20 (1) child care centers licensed under Minnesota Rules, chapter 9503;

495.21 (2) family or group family child care homes licensed under Minnesota Rules, chapter  
495.22 9502; and

495.23 (3) Tribally licensed centers, family child care, and group family child care.

495.24 (c) Eligible applicants include public entities and private for-profit and nonprofit  
495.25 organizations with the ability to develop technology products for child care business  
495.26 management or offer training, technical assistance, coaching, or other supports for child  
495.27 care providers to use technology products for child care business management.

495.28 (d) Grantees shall use the grant money, either directly or through grants to providers,  
495.29 for one or more of the following purposes:

495.30 (1) the purchase of computers or mobile devices for use in business management;

495.31 (2) access to the Internet through the provision of necessary hardware such as routers  
495.32 or modems or by covering the costs of monthly fees for Internet access;

496.1 (3) covering the costs of subscription to child care management software;

496.2 (4) covering the costs of training in the use of technology for business management  
496.3 purposes; and

496.4 (5) other services as determined by the commissioner.

496.5 Sec. 20. Minnesota Statutes 2022, section 256.046, subdivision 3, is amended to read:

496.6 Subd. 3. **Administrative disqualification of child care providers caring for children**

496.7 **receiving child care assistance.** (a) The department ~~or local agency~~ shall pursue an

496.8 administrative disqualification, if the child care provider is accused of committing an

496.9 intentional program violation, in lieu of a criminal action when it has not been pursued.

496.10 Intentional program violations include intentionally making false or misleading statements;

496.11 intentionally misrepresenting, concealing, or withholding facts; and repeatedly and

496.12 intentionally violating program regulations under chapters 119B and 245E. Intent may be

496.13 proven by demonstrating a pattern of conduct that violates program rules under chapters

496.14 119B and 245E.

496.15 (b) To initiate an administrative disqualification, ~~a local agency or~~ the commissioner

496.16 must mail written notice by certified mail to the provider against whom the action is being

496.17 taken. Unless otherwise specified under chapter 119B or 245E or Minnesota Rules, chapter

496.18 3400, ~~a local agency or~~ the commissioner must mail the written notice at least 15 calendar

496.19 days before the adverse action's effective date. The notice shall state (1) the factual basis

496.20 for the agency's determination, (2) the action the agency intends to take, (3) the dollar amount

496.21 of the monetary recovery or recoupment, if known, and (4) the provider's right to appeal

496.22 the agency's proposed action.

496.23 (c) The provider may appeal an administrative disqualification by submitting a written

496.24 request to the Department of Human Services, Appeals Division. A provider's request must

496.25 be received by the Appeals Division no later than 30 days after the date ~~a local agency or~~

496.26 the commissioner mails the notice.

496.27 (d) The provider's appeal request must contain the following:

496.28 (1) each disputed item, the reason for the dispute, and, if applicable, an estimate of the

496.29 dollar amount involved for each disputed item;

496.30 (2) the computation the provider believes to be correct, if applicable;

496.31 (3) the statute or rule relied on for each disputed item; and



497.1 (4) the name, address, and telephone number of the person at the provider's place of  
497.2 business with whom contact may be made regarding the appeal.

497.3 (e) On appeal, the issuing agency bears the burden of proof to demonstrate by a  
497.4 preponderance of the evidence that the provider committed an intentional program violation.

497.5 (f) The hearing is subject to the requirements of sections 256.045 and 256.0451. The  
497.6 human services judge may combine a fair hearing and administrative disqualification hearing  
497.7 into a single hearing if the factual issues arise out of the same or related circumstances and  
497.8 the provider receives prior notice that the hearings will be combined.

497.9 (g) A provider found to have committed an intentional program violation and is  
497.10 administratively disqualified shall be disqualified, for a period of three years for the first  
497.11 offense and permanently for any subsequent offense, from receiving any payments from  
497.12 any child care program under chapter 119B.

497.13 (h) Unless a timely and proper appeal made under this section is received by the  
497.14 department, the administrative determination of the department is final and binding.

497.15 **EFFECTIVE DATE.** This section is effective April 28, 2025.

497.16 Sec. 21. Minnesota Statutes 2022, section 256.983, subdivision 5, is amended to read:

497.17 **Subd. 5. Child care providers; financial misconduct.** (a) A county or Tribal agency  
497.18 may conduct investigations of financial misconduct by child care providers as described in  
497.19 chapter 245E. Prior to opening an investigation, a county or Tribal agency must contact the  
497.20 commissioner to determine whether an investigation under this chapter may compromise  
497.21 an ongoing investigation.

497.22 (b) If, upon investigation, a preponderance of evidence shows a provider committed an  
497.23 intentional program violation, intentionally gave the county or Tribe materially false  
497.24 information on the provider's billing forms, provided false attendance records to a county,  
497.25 Tribe, or the commissioner, or committed financial misconduct as described in section  
497.26 245E.01, subdivision 8, the county or Tribal agency may recommend that the commissioner  
497.27 suspend a provider's payment pursuant to chapter 245E, or deny or revoke a provider's  
497.28 authorization pursuant to section 119B.13, subdivision 6, paragraph (d), clause (2), prior to  
497.29 pursuing other available remedies. ~~The county or tribe must send notice in accordance with~~  
497.30 ~~the requirements of section 119B.161, subdivision 2. If a provider's payment is suspended~~  
497.31 ~~under this section, the payment suspension shall remain in effect until: (1) the commissioner,~~  
497.32 ~~county, tribe, or a law enforcement authority determines that there is insufficient evidence~~  
497.33 ~~warranting the action and a county, tribe, or the commissioner does not pursue an additional~~

498.1 ~~administrative remedy under chapter 119B or 245E, or section 256.046 or 256.98; or (2)~~  
 498.2 ~~all criminal, civil, and administrative proceedings related to the provider's alleged misconduct~~  
 498.3 ~~conclude and any appeal rights are exhausted.~~

498.4 ~~(e) For the purposes of this section, an intentional program violation includes intentionally~~  
 498.5 ~~making false or misleading statements; intentionally misrepresenting, concealing, or~~  
 498.6 ~~withholding facts; and repeatedly and intentionally violating program regulations under~~  
 498.7 ~~chapters 119B and 245E.~~

498.8 ~~(d) A provider has the right to administrative review under section 119B.161 if: (1)~~  
 498.9 ~~payment is suspended under chapter 245E; or (2) the provider's authorization was denied~~  
 498.10 ~~or revoked under section 119B.13, subdivision 6, paragraph (d), clause (2).~~

498.11 **EFFECTIVE DATE.** This section is effective April 28, 2025.

498.12 Sec. 22. **DIRECTION TO COMMISSIONER; CHILD CARE AND EARLY**  
 498.13 **EDUCATION PROFESSIONAL WAGE SCALE.**

498.14 (a) The commissioner of human services shall develop, in consultation with the  
 498.15 commissioner of employment and economic development, the commissioner of education,  
 498.16 the Children's Cabinet, and relevant stakeholders, a child care and early education  
 498.17 professional wage scale that:

498.18 (1) provides recommended wages that are equivalent to elementary school educators  
 498.19 with similar credentials and experience;

498.20 (2) provides recommended levels of compensation and benefits, such as professional  
 498.21 development stipends, health care benefits, and retirement benefits, that vary based on child  
 498.22 care and early education professional roles and qualifications, and other criteria established  
 498.23 by the commissioner; and

498.24 (3) is applicable to the following types of child care and early education programs:

498.25 (i) licensed family and group family child care under Minnesota Rules, chapter 9502;

498.26 (ii) licensed child care centers under Minnesota Rules, chapter 9503;

498.27 (iii) certified, license-exempt child care centers under Minnesota Statutes, chapter 245H;

498.28 (iv) voluntary prekindergarten and school readiness plus programs;

498.29 (v) school readiness programs;

498.30 (vi) early childhood family education programs;

499.1 (vii) programs for children who are eligible for Part B or Part C of the Individuals with  
499.2 Disabilities Education Act (Public Law 108-446); and  
499.3 (viii) Head Start programs.

499.4 (b) By January 30, 2025, the commissioner must submit a report to the legislative  
499.5 committees with jurisdiction over early childhood programs on the development of the wage  
499.6 scale and make recommendations for how the wage scale could be used to inform payment  
499.7 rates for child care assistance under Minnesota Statutes, chapter 119B, and great start  
499.8 scholarships under Minnesota Statutes, section 119C.01.

499.9 **Sec. 23. DIRECTION TO COMMISSIONER; TRANSITION CHILD CARE**  
499.10 **STABILIZATION GRANTS.**

499.11 (a) The commissioner of human services must continue providing child care stabilization  
499.12 grants under Laws 2021, First Special Session chapter 7, article 14, section 21, from July  
499.13 1, 2023, through no later than December 31, 2023.

499.14 (b) The commissioner shall award transition child care stabilization grant amounts to  
499.15 all eligible programs. The transition month grant amounts must be based on the number of  
499.16 full-time equivalent staff who regularly care for children in the program, including employees,  
499.17 sole proprietors, or independent contractors. One full-time equivalent staff is defined as an  
499.18 individual caring for children 32 hours per week. An individual can count as more, or less,  
499.19 than one full-time equivalent staff, but as no more than two full-time equivalent staff.

499.20 **Sec. 24. RECOGNIZING COMPARABLE COMPETENCIES TO ACHIEVE**  
499.21 **COMPARABLE COMPENSATION TASK FORCE.**

499.22 Subdivision 1. **Establishment.** The Recognizing Comparable Competencies to Achieve  
499.23 Comparable Compensation Task Force is established to develop methods for incorporating  
499.24 competencies and experiences, as well as educational attainment, into a compensation model  
499.25 for the early childhood workforce.

499.26 Subd. 2. **Membership.** (a) The task force shall consist of the following members,  
499.27 appointed by the governor:

499.28 (1) two individuals who are directors of a licensed child care center, one from greater  
499.29 Minnesota and one from the seven-county metropolitan area;

499.30 (2) two individuals who are license holders of family child care programs, one from  
499.31 greater Minnesota and one from the seven-county metropolitan area;

500.1 (3) four individuals who are early childhood educators, one who works in a licensed  
500.2 child care center, one who works in a public-school-based early childhood program, one  
500.3 who works in a Head Start program or a community education program, and one who works  
500.4 in a licensed family child care setting;

500.5 (4) one representative of a federally recognized Tribe who has expertise in the early care  
500.6 and education system;

500.7 (5) one representative from the Children's Cabinet;

500.8 (6) two parents of children under five years of age, one parent whose child attends a  
500.9 private early care and education program and one parent whose child attends a public  
500.10 program. One parent under this clause must be from greater Minnesota, and the other parent  
500.11 must be from the seven-county metropolitan area; and

500.12 (7) four individuals who have expertise in early childhood workforce issues.

500.13 (b) The governor must select a chair or cochairs for the task force from among the  
500.14 members. The first task force meeting must be convened by the chair or cochairs and held  
500.15 no later than September 1, 2023. Thereafter, the chair or cochairs shall convene the task  
500.16 force at least monthly and may convene other meetings as necessary. The chair or cochairs  
500.17 shall convene meetings in a manner to allow for access from diverse geographic locations  
500.18 in Minnesota.

500.19 (c) Compensation of task force members, filling of task force vacancies, and removal  
500.20 of task force members are governed by Minnesota Statutes, section 15.059.

500.21 Subd. 3. **Duties.** (a) The task force must develop a compensation framework for the  
500.22 early childhood workforce that incorporates competencies and experiences, as well as  
500.23 educational attainment.

500.24 (b) In developing the compensation framework required under this subdivision, the task  
500.25 force must:

500.26 (1) identify competencies and experiences to incorporate into the framework, including  
500.27 but not limited to multilingualism and previous work experience in a direct care setting;  
500.28 and

500.29 (2) propose mechanisms for including the compensation framework in the state's early  
500.30 childhood programs and services.

500.31 Subd. 4. **Administration.** (a) The commissioner of management and budget shall provide  
500.32 staff and administrative services for the task force.

501.1 (b) The task force expires upon submission of the final report required under subdivision  
501.2 5.

501.3 (c) The task force is subject to Minnesota Statutes, chapter 13D.

501.4 Subd. 5. **Required reports.** By December 1, 2024, the task force must submit its  
501.5 preliminary findings to the governor and the chairs and ranking minority members of the  
501.6 legislative committees with jurisdiction over early childhood programs. By January 15,  
501.7 2025, the task force must submit the compensation framework and proposed mechanisms  
501.8 for incorporating the framework into the state's early childhood programs and services to  
501.9 the governor and the chairs and ranking minority members of the legislative committees  
501.10 with jurisdiction over early childhood programs.

## 501.11 **ARTICLE 15**

### 501.12 **CHILD SUPPORT, SAFETY, AND PERMANENCY**

501.13 Section 1. **[245.0962] QUALITY PARENTING INITIATIVE GRANT PROGRAM.**

501.14 Subdivision 1. **Establishment.** The commissioner of human services must establish a  
501.15 quality parenting initiative grant program to implement quality parenting initiative principles  
501.16 and practices to support children and families experiencing foster care placements.

501.17 Subd. 2. **Eligible applicants.** To be eligible for a grant under this section, applicants  
501.18 must be a nonprofit organization or a nongovernmental organization and must have  
501.19 experience providing training and technical assistance on how to implement quality parenting  
501.20 initiative principles and practices.

501.21 Subd. 3. **Application.** An organization seeking a grant under this section must apply to  
501.22 the commissioner in the time and manner specified by the commissioner.

501.23 Subd. 4. **Grant activities.** Grant money must be used to provide training and technical  
501.24 assistance to county and Tribal agencies, community-based agencies, and other stakeholders  
501.25 on:

501.26 (1) conducting initial foster care telephone calls under section 260C.219, subdivision 6;

501.27 (2) supporting practices that create birth family to foster family partnerships; and

501.28 (3) informing child welfare practices by supporting youth leadership and the participation  
501.29 of individuals with experience in the foster care system.

502.1 Sec. 2. Minnesota Statutes 2022, section 256N.26, subdivision 12, is amended to read:

502.2 Subd. 12. **Treatment of Supplemental Security Income.** ~~If a child placed in foster~~  
502.3 ~~care receives benefits through Supplemental Security Income (SSI) at the time of foster~~  
502.4 ~~care placement or subsequent to placement in foster care, the financially responsible agency~~  
502.5 ~~may apply to be the payee for the child for the duration of the child's placement in foster~~  
502.6 ~~care.~~ If a child continues to be eligible for SSI Supplemental Security Income benefits after  
502.7 finalization of the adoption or transfer of permanent legal and physical custody and is  
502.8 determined to be eligible for a payment under Northstar Care for Children, a permanent  
502.9 caregiver may choose to receive payment from both programs simultaneously. The permanent  
502.10 caregiver is responsible to report the amount of the payment to the Social Security  
502.11 Administration and the SSI Supplemental Security Income payment will be reduced as  
502.12 required by the Social Security Administration.

502.13 Sec. 3. **[256N.262] FOSTER CHILDREN BENEFITS TRUST.**

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

502.16 (b) "Beneficiary" means a current or former child in foster care who is or was entitled  
502.17 to cash benefits.

502.18 (c) "Cash benefits" means all sources of income a child in foster care is entitled to,  
502.19 including death benefits; survivor benefits; crime victim impact payments; federal cash  
502.20 benefits from programs administered by the Social Security Administration, including from  
502.21 the Supplemental Security Income and the Retirement, Survivors, Disability Insurance  
502.22 programs; and any other eligible income as determined by the Office of the Foster Youth  
502.23 Ombudsperson.

502.24 Subd. 2. **Establishment.** (a) The foster children benefits trust is established. The trust  
502.25 must be funded by appropriations to the Office of the Foster Youth Ombudsperson to  
502.26 compensate beneficiaries for cash benefits taken by a financially responsible agency to pay  
502.27 for the beneficiaries' care. The trust must be managed to ensure the stability and growth of  
502.28 the trust.

502.29 (b) All assets of the trust are held in trust for the exclusive benefit of beneficiaries. Assets  
502.30 must be held in a separate account in the state treasury to be known as the foster children  
502.31 benefits trust account or in accounts with the third-party provider selected pursuant to  
502.32 subdivision 9.

503.1 Subd. 3. **Requirements of financially responsible agencies.** (a) A financially responsible  
503.2 agency must assess whether each child the agency is responsible for is eligible to receive  
503.3 any cash benefits as soon as the custody of the child is transferred to a child placing agency  
503.4 or responsible social services agency pursuant to section 260C.201, subdivision 1, or custody  
503.5 of the child is otherwise transferred to the state.

503.6 (b) If a child placed in foster care is eligible to receive cash benefits, the financially  
503.7 responsible agency must:

503.8 (1) apply to be the payee for the child for the duration of the child's placement in foster  
503.9 care;

503.10 (2) at least monthly, transfer all cash benefits received on behalf of a beneficiary to the  
503.11 Office of the Foster Youth Ombudsperson to be deposited in the trust;

503.12 (3) at least annually, notify the Office of the Foster Youth Ombudsperson of all cash  
503.13 benefits received for each beneficiary along with documentation identifying the beneficiary  
503.14 and amounts received for the child;

503.15 (4) notify each beneficiary 18 years of age or older that the beneficiary may be entitled  
503.16 to disbursements pursuant to the foster children benefits trust and inform the child how to  
503.17 contact the Office of the Foster Youth Ombudsperson about the trust; and

503.18 (5) retain all documentation related to cash benefits received for a beneficiary for at least  
503.19 five years after the agency is no longer the beneficiary's financially responsible agency.

503.20 (c) The financially responsible agency is liable to a beneficiary for any benefit payment  
503.21 that the agency receives as payee for a beneficiary that is not included in the documentation  
503.22 sent to the Office of the Foster Youth Ombudsperson as required by this subdivision.

503.23 Subd. 4. **Deposits.** The Office of the Foster Youth Ombudsperson must deposit an  
503.24 amount equal to the cash benefits received by a financially responsible agency in a separate  
503.25 account for each beneficiary.

503.26 Subd. 5. **Ombudsperson's duties.** (a) The Office of the Foster Youth Ombudsperson  
503.27 must keep a record of the amounts deposited pursuant to subdivision 4 and all disbursements  
503.28 for each beneficiary's account.

503.29 (b) Annually, the Office of the Foster Youth Ombudsperson must determine the annual  
503.30 interest earnings of the trust, which include realized capital gains and losses.

503.31 (c) The Office of the Foster Youth Ombudsperson must apportion any annual capital  
503.32 gains earnings to the separate beneficiaries' accounts. The rate to be used in this

504.1 apportionment, computed to the last full quarter percent, must be determined by dividing  
504.2 the capital gains earnings by the total invested assets of the trust.

504.3 (d) For each beneficiary between the ages of 14 and 18, the Office of the Foster Youth  
504.4 Ombudsperson must notify the beneficiary of the amount of cash benefits received on the  
504.5 beneficiary's behalf in the prior calendar year and the tax implications of those benefits by  
504.6 February 1 of each year.

504.7 (e) Account owner data, account data, and data on beneficiaries of accounts are private  
504.8 data on individuals or nonpublic data as defined in section 13.02.

504.9 Subd. 6. **Account protections.** (a) Trust assets are not subject to claims by creditors of  
504.10 the state, are not part of the general fund, and are not subject to appropriation by the state.

504.11 (b) Trust assets may not be used as collateral, as a part of a structured settlement, or in  
504.12 any way contracted to be paid to anyone who is not the beneficiary.

504.13 (c) Trust assets are not subject to seizure or garnishment as assets or income of the  
504.14 beneficiary.

504.15 Subd. 7. **Reports.** (a) By December 1, 2024, the Office of the Foster Youth  
504.16 Ombudsperson must submit a report to the legislative committees with jurisdiction over  
504.17 human services on the potential tax and state and federal benefit impacts of the trust and  
504.18 disbursements on beneficiaries and include recommendations on how best to minimize any  
504.19 increased tax burden or benefit reduction due to the trust.

504.20 (b) By December 1 of each year, the Office of the Foster Youth Ombudsperson must  
504.21 submit a report to the legislative committees with jurisdiction over foster youth on the cost  
504.22 of depositing into the trust pursuant to subdivision 4 and a projection for future costs.

504.23 Subd. 8. **Disbursements.** (a) Once a beneficiary has reached 18 years of age, the Office  
504.24 of the Foster Youth Ombudsperson must disburse \$700 each month to the beneficiary until  
504.25 the beneficiary's account is depleted. If the total amount remaining in a beneficiary's account  
504.26 is less than \$700, the Office of the Foster Youth Ombudsperson must disburse that total  
504.27 amount remaining to the beneficiary.

504.28 (b) With each disbursement, the Office of the Foster Youth Ombudsperson must include  
504.29 information about the potential tax and benefits consequences of the disbursement.

504.30 (c) On petition of a minor beneficiary who is 14 years of age or older, a court may order  
504.31 the Office of the Foster Youth Ombudsperson to deliver or pay to the beneficiary or expend  
504.32 for the beneficiary's benefit the amount of the beneficiary's trust account as the court  
504.33 considers advisable for the use and benefit of the beneficiary.



505.1 Subd. 9. **Administration.** The Office of the Foster Youth Ombudsperson must administer  
505.2 the program pursuant to this section. The Office of the Foster Youth Ombudsperson may  
505.3 contract with one or more third parties to carry out some or all of these administrative duties,  
505.4 including managing the assets of the trust and ensuring that records are maintained.

505.5 Subd. 10. **Repayment program.** (a) No later than January 1, 2025, the Office of the  
505.6 Foster Youth Ombudsperson must identify every person for whom a financially responsible  
505.7 agency received cash benefits as the person's representative payee between August 1, 2018,  
505.8 and July 31, 2023, and the amount of money diverted to the financially responsible agency  
505.9 during that time. The Office of the Foster Youth Ombudsperson must attempt to notify  
505.10 every individual identified in this paragraph of the individual's potential eligibility for  
505.11 repayment pursuant to this subdivision no later than July 1, 2025.

505.12 (b) No later than January 1, 2026, the Office of the Foster Youth Ombudsperson must  
505.13 begin accepting applications for individuals described in paragraph (a) to receive  
505.14 compensation for cash benefits diverted to the individual's financially responsible agency  
505.15 between August 1, 2018, and July 31, 2023. The Office of the Foster Youth Ombudsperson  
505.16 must develop a system to process the applications and approve all applications that can  
505.17 show that the applicant had cash benefits diverted to a financially responsible agency between  
505.18 August 1, 2018, and July 31, 2023.

505.19 (c) For every beneficiary already enrolled in the foster youth benefits trust that the Office  
505.20 of the Foster Youth Ombudsperson determines had cash benefits diverted to a financially  
505.21 responsible agency between August 1, 2018, and July 31, 2023, the Office of the Foster  
505.22 Youth Ombudsperson must deposit an amount equal to the cash benefits diverted to a  
505.23 financially responsible agency between August 1, 2018, and July 31, 2023, into the  
505.24 beneficiary's trust account. The Office of the Foster Youth Ombudsperson must screen  
505.25 beneficiaries for eligibility under this paragraph automatically without requiring an  
505.26 application from the beneficiaries.

505.27 (d) For every applicant under paragraph (b) who is not already enrolled in the foster  
505.28 youth benefits trust, the Office of the Foster Youth Ombudsperson must directly award the  
505.29 applicant an amount equal to the cash benefits diverted to a financially responsible agency  
505.30 between August 1, 2018, and July 31, 2023.

505.31 (e) No later than January 31, 2025, the Office of the Foster Youth Ombudsperson must  
505.32 issue a report to the chairs and ranking minority members of the legislative committees with  
505.33 jurisdiction over foster youth. The report must include:

506.1 (1) the number of persons identified for whom a financially responsible agency received  
506.2 cash benefits as the person's representative payee between August 1, 2018, and July 31,  
506.3 2023; and

506.4 (2) the Office of the Foster Youth Ombudsperson's plan for notifying eligible persons  
506.5 described in paragraph (a).

506.6 Subd. 11. **Rulemaking authority.** The Office of the Foster Youth Ombudsperson is  
506.7 authorized, subject to the provisions of chapter 14, to make rules necessary to the operation  
506.8 of the foster youth benefits trust and repayment program and to aid in performing its  
506.9 administrative duties and ensuring an equitable result for beneficiaries and former foster  
506.10 youths.

506.11 Sec. 4. **[260.014] FAMILY FIRST PREVENTION AND EARLY INTERVENTION**  
506.12 **ALLOCATION PROGRAM.**

506.13 Subdivision 1. **Authorization.** The commissioner shall establish a program that allocates  
506.14 money to counties and federally recognized Tribes in Minnesota to provide prevention and  
506.15 early intervention services.

506.16 Subd. 2. **Uses.** (a) Money allocated to counties and Tribes may be used for the following  
506.17 purposes:

506.18 (1) to implement or expand any Family First Prevention Services Act service or program  
506.19 that is included in the state's prevention plan;

506.20 (2) to implement or expand any proposed Family First Prevention Services Act service  
506.21 or program;

506.22 (3) to implement or expand any existing Family First Prevention Services Act service  
506.23 or programming; and

506.24 (4) any other use approved by the commissioner.

506.25 A county or a Tribe must use at least ten percent of the allocation to provide services and  
506.26 supports directly to families.

506.27 Subd. 3. **Payments.** (a) The commissioner shall allocate state money appropriated under  
506.28 this section to each county board or Tribe on a calendar-year basis using a formula established  
506.29 by the commissioner.

506.30 (b) Notwithstanding this subdivision, to the extent that money is available, no county  
506.31 or Tribe shall be allocated less than:

507.1 (1) \$25,000 in calendar year 2024;

507.2 (2) \$50,000 in calendar year 2025; and

507.3 (3) \$75,000 in calendar year 2026 and each year thereafter.

507.4 (c) A county agency or an initiative Tribe must submit a plan and report the use of money  
507.5 as determined by the commissioner.

507.6 (d) The commissioner may distribute money under this section for a two-year period.

507.7 Subd. 4. **Prohibition on supplanting existing money.** Money received under this section  
507.8 must be used to address prevention and early intervention staffing, programming, and other  
507.9 activities as determined by the commissioner. Money must not be used to supplant current  
507.10 county or Tribal expenditures for these purposes.

507.11 Sec. 5. Minnesota Statutes 2022, section 260.761, subdivision 2, is amended to read:

507.12 **Subd. 2. Agency and court notice to Tribes.** (a) When a local social services agency  
507.13 has information that a family assessment ~~or~~ investigation, or noncaregiver sex trafficking  
507.14 assessment being conducted may involve an Indian child, the local social services agency  
507.15 shall notify the Indian child's Tribe of the family assessment ~~or~~ investigation, or noncaregiver  
507.16 sex trafficking assessment according to section 260E.18. The local social services agency  
507.17 shall provide initial notice ~~shall be provided~~ by telephone and by email or facsimile. The  
507.18 local social services agency shall request that the Tribe or a designated Tribal representative  
507.19 participate in evaluating the family circumstances, identifying family and Tribal community  
507.20 resources, and developing case plans.

507.21 (b) When a local social services agency has information that a child receiving services  
507.22 may be an Indian child, the local social services agency shall notify the Tribe by telephone  
507.23 and by email or facsimile of the child's full name and date of birth, the full names and dates  
507.24 of birth of the child's biological parents, and, if known, the full names and dates of birth of  
507.25 the child's grandparents and of the child's Indian custodian. This notification must be provided  
507.26 ~~so for~~ for the Tribe ~~can~~ to determine if the child is enrolled in the Tribe or eligible for Tribal  
507.27 membership, and ~~must be provided~~ the agency must provide this notification to the Tribe  
507.28 within seven days of receiving information that the child may be an Indian child. If  
507.29 information regarding the child's grandparents or Indian custodian is not available within  
507.30 the seven-day period, the local social services agency shall continue to request this  
507.31 information and shall notify the Tribe when it is received. Notice shall be provided to all  
507.32 Tribes to which the child may have any Tribal lineage. If the identity or location of the  
507.33 child's parent or Indian custodian and Tribe cannot be determined, the local social services

508.1 agency shall provide the notice required in this paragraph to the United States secretary of  
508.2 the interior.

508.3 (c) In accordance with sections 260C.151 and 260C.152, when a court has reason to  
508.4 believe that a child placed in emergency protective care is an Indian child, the court  
508.5 administrator or a designee shall, as soon as possible and before a hearing takes place, notify  
508.6 the Tribal social services agency by telephone and by email or facsimile of the date, time,  
508.7 and location of the emergency protective case hearing. The court shall make efforts to allow  
508.8 appearances by telephone for Tribal representatives, parents, and Indian custodians.

508.9 (d) A local social services agency must provide the notices required under this subdivision  
508.10 at the earliest possible time to facilitate involvement of the Indian child's Tribe. Nothing in  
508.11 this subdivision is intended to hinder the ability of the local social services agency and the  
508.12 court to respond to an emergency situation. Lack of participation by a Tribe shall not prevent  
508.13 the Tribe from intervening in services and proceedings at a later date. A Tribe may participate  
508.14 in a case at any time. At any stage of the local social services agency's involvement with  
508.15 an Indian child, the agency shall provide full cooperation to the Tribal social services agency,  
508.16 including disclosure of all data concerning the Indian child. Nothing in this subdivision  
508.17 relieves the local social services agency of satisfying the notice requirements in the Indian  
508.18 Child Welfare Act.

508.19 **EFFECTIVE DATE.** This section is effective July 1, 2024.

508.20 Sec. 6. **[260.786] CHILD WELFARE STAFF ALLOCATION FOR TRIBES.**

508.21 **Subdivision 1. Allocations.** The commissioner shall allocate \$80,000 annually to each  
508.22 of Minnesota's federally recognized Tribes that, at the beginning of the fiscal year, have not  
508.23 joined the American Indian Child welfare initiative under section 256.01, subdivision 14b.  
508.24 Tribes not participating in or planning to join the initiative as of July 1, 2023, are: Bois Fort  
508.25 Band of Chippewa, Fond du Lac Band of Lake Superior Chippewa, Grand Portage Band  
508.26 of Lake Superior Chippewa, Lower Sioux Indian Community, Prairie Island Indian  
508.27 Community, and Upper Sioux Indian Community.

508.28 **Subd. 2. Purposes.** Money must be used to address staffing for responding to notices  
508.29 under the Indian Child Welfare Act under United States Code, title 25, sections 1901 to  
508.30 1963 and 260.751 to 260.835, to the extent necessary, or providing other child protection  
508.31 and child welfare services. Money must not be used to supplant current Tribal expenditures  
508.32 for these purposes.

509.1 Subd. 3. **Reporting.** By June 1 each year, Tribes receiving this money shall provide a  
509.2 report to the commissioner. The report shall be written in a manner prescribed by the  
509.3 commissioner and must include an accounting of money spent, staff hired, job duties, and  
509.4 other information as required by the commissioner.

509.5 Subd. 4. **Redistribution of money.** If a Tribe joins the American Indian child welfare  
509.6 initiative, the payment for that Tribe shall be distributed equally among the remaining Tribes  
509.7 receiving an allocation under this section.

509.8 Sec. 7. Minnesota Statutes 2022, section 260C.007, subdivision 6, is amended to read:

509.9 **Subd. 6. Child in need of protection or services.** "Child in need of protection or  
509.10 services" means a child who is in need of protection or services because the child:

509.11 (1) is abandoned or without parent, guardian, or custodian;

509.12 (2)(i) has been a victim of physical or sexual abuse as defined in section 260E.03,  
509.13 subdivision 18 or 20, (ii) resides with or has resided with a victim of child abuse as defined  
509.14 in subdivision 5 or domestic child abuse as defined in subdivision 13, (iii) resides with or  
509.15 would reside with a perpetrator of domestic child abuse as defined in subdivision 13 or child  
509.16 abuse as defined in subdivision 5 or 13, or (iv) is a victim of emotional maltreatment as  
509.17 defined in subdivision 15;

509.18 (3) is without necessary food, clothing, shelter, education, or other required care for the  
509.19 child's physical or mental health or morals because the child's parent, guardian, or custodian  
509.20 is unable or unwilling to provide that care;

509.21 (4) is without the special care made necessary by a physical, mental, or emotional  
509.22 condition because the child's parent, guardian, or custodian is unable or unwilling to provide  
509.23 that care. Parents of children reported to be in an emergency department or hospital setting  
509.24 due to mental health or a disability who cannot be safely discharged to their family and are  
509.25 unable to access necessary services must not be viewed as unable or unwilling to provide  
509.26 care unless there are other factors present;

509.27 (5) is medically neglected, which includes, but is not limited to, the withholding of  
509.28 medically indicated treatment from an infant with a disability with a life-threatening  
509.29 condition. The term "withholding of medically indicated treatment" means the failure to  
509.30 respond to the infant's life-threatening conditions by providing treatment, including  
509.31 appropriate nutrition, hydration, and medication which, in the treating physician's, advanced  
509.32 practice registered nurse's, or physician assistant's reasonable medical judgment, will be  
509.33 most likely to be effective in ameliorating or correcting all conditions, except that the term

510.1 does not include the failure to provide treatment other than appropriate nutrition, hydration,  
510.2 or medication to an infant when, in the treating physician's, advanced practice registered  
510.3 nurse's, or physician assistant's reasonable medical judgment:

510.4 (i) the infant is chronically and irreversibly comatose;

510.5 (ii) the provision of the treatment would merely prolong dying, not be effective in  
510.6 ameliorating or correcting all of the infant's life-threatening conditions, or otherwise be  
510.7 futile in terms of the survival of the infant; or

510.8 (iii) the provision of the treatment would be virtually futile in terms of the survival of  
510.9 the infant and the treatment itself under the circumstances would be inhumane;

510.10 (6) is one whose parent, guardian, or other custodian for good cause desires to be relieved  
510.11 of the child's care and custody, including a child who entered foster care under a voluntary  
510.12 placement agreement between the parent and the responsible social services agency under  
510.13 section 260C.227;

510.14 (7) has been placed for adoption or care in violation of law;

510.15 (8) is without proper parental care because of the emotional, mental, or physical disability,  
510.16 or state of immaturity of the child's parent, guardian, or other custodian;

510.17 (9) is one whose behavior, condition, or environment is such as to be injurious or  
510.18 dangerous to the child or others. An injurious or dangerous environment may include, but  
510.19 is not limited to, the exposure of a child to criminal activity in the child's home;

510.20 (10) is experiencing growth delays, which may be referred to as failure to thrive, that  
510.21 have been diagnosed by a physician and are due to parental neglect;

510.22 (11) is a sexually exploited youth;

510.23 (12) has committed a delinquent act or a juvenile petty offense before becoming ten  
510.24 years old;

510.25 (13) is a runaway;

510.26 (14) is a habitual truant;

510.27 (15) has been found incompetent to proceed or has been found not guilty by reason of  
510.28 mental illness or mental deficiency in connection with a delinquency proceeding, a  
510.29 certification under section 260B.125, an extended jurisdiction juvenile prosecution, or a  
510.30 proceeding involving a juvenile petty offense; or

511.1 (16) has a parent whose parental rights to one or more other children were involuntarily  
511.2 terminated or whose custodial rights to another child have been involuntarily transferred to  
511.3 a relative and there is a case plan prepared by the responsible social services agency  
511.4 documenting a compelling reason why filing the termination of parental rights petition under  
511.5 section 260C.503, subdivision 2, is not in the best interests of the child.

511.6 Sec. 8. Minnesota Statutes 2022, section 260C.007, subdivision 14, is amended to read:

511.7 Subd. 14. **Egregious harm.** "Egregious harm" means the infliction of bodily harm to a  
511.8 child or neglect of a child which demonstrates a grossly inadequate ability to provide  
511.9 minimally adequate parental care. The egregious harm need not have occurred in the state  
511.10 or in the county where a termination of parental rights action is ~~otherwise properly venued~~  
511.11 has proper venue. Egregious harm includes, but is not limited to:

511.12 (1) conduct ~~towards~~ toward a child that constitutes a violation of sections 609.185 to  
511.13 609.2114, 609.222, subdivision 2, 609.223, or any other similar law of any other state;

511.14 (2) the infliction of "substantial bodily harm" to a child, as defined in section 609.02,  
511.15 subdivision 7a;

511.16 (3) conduct ~~towards~~ toward a child that constitutes felony malicious punishment of a  
511.17 child under section 609.377;

511.18 (4) conduct ~~towards~~ toward a child that constitutes felony unreasonable restraint of a  
511.19 child under section 609.255, subdivision 3;

511.20 (5) conduct ~~towards~~ toward a child that constitutes felony neglect or endangerment of  
511.21 a child under section 609.378;

511.22 (6) conduct ~~towards~~ toward a child that constitutes assault under section 609.221, 609.222,  
511.23 or 609.223;

511.24 (7) conduct ~~towards~~ toward a child that constitutes sex trafficking, solicitation,  
511.25 inducement, ~~or~~ promotion of, or receiving profit derived from prostitution under section  
511.26 609.322;

511.27 (8) conduct ~~towards~~ toward a child that constitutes murder or voluntary manslaughter  
511.28 as defined by United States Code, title 18, section 1111(a) or 1112(a);

511.29 (9) conduct ~~towards~~ toward a child that constitutes aiding or abetting, attempting,  
511.30 conspiring, or soliciting to commit a murder or voluntary manslaughter that constitutes a  
511.31 violation of United States Code, title 18, section 1111(a) or 1112(a); or

512.1 (10) conduct toward a child that constitutes criminal sexual conduct under sections  
512.2 609.342 to 609.345 or sexual extortion under section 609.3458.

512.3 Sec. 9. Minnesota Statutes 2022, section 260C.80, subdivision 1, is amended to read:

512.4 Subdivision 1. **Office of the Foster Youth Ombudsperson.** The Office of the Foster  
512.5 Youth Ombudsperson is hereby created. The ombudsperson ~~serves at the pleasure of the~~  
512.6 ~~governor in the unclassified service~~, must be selected without regard to political affiliation,  
512.7 and must be a person highly competent and qualified to work to improve the lives of youth  
512.8 in the foster care system, while understanding the administration and public policy related  
512.9 to youth in the foster care system. The ombudsperson may be removed only for just cause.  
512.10 No person may serve as the foster youth ombudsperson while holding any other public  
512.11 office. The foster youth ombudsperson is accountable to the governor and may investigate  
512.12 decisions, acts, and other matters related to the health, safety, and welfare of youth in foster  
512.13 care to promote the highest attainable standards of competence, efficiency, and justice for  
512.14 youth who are in the care of the state.

512.15 Sec. 10. Minnesota Statutes 2022, section 260E.01, is amended to read:

512.16 **260E.01 POLICY.**

512.17 (a) The legislature hereby declares that the public policy of this state is to protect children  
512.18 whose health or welfare may be jeopardized through maltreatment. While it is recognized  
512.19 that most parents want to keep their children safe, sometimes circumstances or conditions  
512.20 interfere with their ability to do so. When this occurs, the health and safety of the children  
512.21 must be of paramount concern. Intervention and prevention efforts must address immediate  
512.22 concerns for child safety and the ongoing risk of maltreatment and should engage the  
512.23 protective capacities of families. In furtherance of this public policy, it is the intent of the  
512.24 legislature under this chapter to:

512.25 (1) protect children and promote child safety;

512.26 (2) strengthen the family;

512.27 (3) make the home, school, and community safe for children by promoting responsible  
512.28 child care in all settings; and

512.29 (4) provide, when necessary, a safe temporary or permanent home environment for  
512.30 maltreated children.

512.31 (b) In addition, it is the policy of this state to:



513.1 (1) require the reporting of maltreatment of children in the home, school, and community  
513.2 settings;

513.3 (2) provide for ~~the~~ voluntary reporting of maltreatment of children;

513.4 (3) require an investigation when the report alleges sexual abuse or substantial child  
513.5 endangerment, except when the report alleges sex trafficking by a noncaregiver sex trafficker;

513.6 (4) provide a family assessment, if appropriate, when the report does not allege sexual  
513.7 abuse or substantial child endangerment; ~~and~~

513.8 (5) provide a noncaregiver sex trafficking assessment when the report alleges sex  
513.9 trafficking by a noncaregiver sex trafficker; and

513.10 (6) provide protective, family support, and family preservation services when needed  
513.11 in appropriate cases.

513.12 **EFFECTIVE DATE.** This section is effective July 1, 2024.

513.13 Sec. 11. Minnesota Statutes 2022, section 260E.02, subdivision 1, is amended to read:

513.14 Subdivision 1. **Establishment of team.** A county shall establish a multidisciplinary  
513.15 child protection team that may include, but is not ~~be~~ limited to, the director of the local  
513.16 welfare agency or designees, the county attorney or designees, the county sheriff or designees,  
513.17 representatives of health and education, representatives of mental health, representatives of  
513.18 agencies providing specialized services or responding to youth who experience or are at  
513.19 risk of experiencing sex trafficking or sexual exploitation, or other appropriate human  
513.20 services or community-based agencies, and parent groups. As used in this section, a  
513.21 "community-based agency" may include, but is not limited to, schools, social services  
513.22 agencies, family service and mental health collaboratives, children's advocacy centers, early  
513.23 childhood and family education programs, Head Start, or other agencies serving children  
513.24 and families. A member of the team must be designated as the lead person of the team  
513.25 responsible for the planning process to develop standards for the team's activities with  
513.26 battered women's and domestic abuse programs and services.

513.27 Sec. 12. Minnesota Statutes 2022, section 260E.03, is amended by adding a subdivision  
513.28 to read:

513.29 Subd. 15a. **Noncaregiver sex trafficker.** "Noncaregiver sex trafficker" means an  
513.30 individual who is alleged to have engaged in the act of sex trafficking a child and who is  
513.31 not a person responsible for the child's care, who does not have a significant relationship

514.1 with the child as defined in section 609.341, and who is not a person in a current or recent  
514.2 position of authority as defined in section 609.341, subdivision 10.

514.3 **EFFECTIVE DATE.** This section is effective July 1, 2024.

514.4 Sec. 13. Minnesota Statutes 2022, section 260E.03, is amended by adding a subdivision  
514.5 to read:

514.6 **Subd. 15b. Noncaregiver sex trafficking assessment.** "Noncaregiver sex trafficking  
514.7 assessment" is a comprehensive assessment of child safety, the risk of subsequent child  
514.8 maltreatment, and strengths and needs of the child and family. The local welfare agency  
514.9 shall only perform a noncaregiver sex trafficking assessment when a maltreatment report  
514.10 alleges sex trafficking of a child by someone other than the child's caregiver. A noncaregiver  
514.11 sex trafficking assessment does not include a determination of whether child maltreatment  
514.12 occurred. A noncaregiver sex trafficking assessment includes a determination of a family's  
514.13 need for services to address the safety of the child or children, the safety of family members,  
514.14 and the risk of subsequent child maltreatment.

514.15 **EFFECTIVE DATE.** This section is effective July 1, 2024.

514.16 Sec. 14. Minnesota Statutes 2022, section 260E.03, subdivision 22, is amended to read:

514.17 **Subd. 22. Substantial child endangerment.** "Substantial child endangerment" means  
514.18 that a person responsible for a child's care, by act or omission, commits or attempts to  
514.19 commit an act against a child ~~under their~~ in the person's care that constitutes any of the  
514.20 following:

514.21 (1) egregious harm under subdivision 5;

514.22 (2) abandonment under section 260C.301, subdivision 2;

514.23 (3) neglect under subdivision 15, paragraph (a), clause (2), that substantially endangers  
514.24 the child's physical or mental health, including a growth delay, which may be referred to  
514.25 as failure to thrive, that has been diagnosed by a physician and is due to parental neglect;

514.26 (4) murder in the first, second, or third degree under section 609.185, 609.19, or 609.195;

514.27 (5) manslaughter in the first or second degree under section 609.20 or 609.205;

514.28 (6) assault in the first, second, or third degree under section 609.221, 609.222, or 609.223;

514.29 (7) sex trafficking, solicitation, inducement, ~~and~~ or promotion of prostitution under  
514.30 section 609.322;

- 515.1 (8) criminal sexual conduct under sections 609.342 to 609.3451;
- 515.2 (9) sexual extortion under section 609.3458;
- 515.3 (10) solicitation of children to engage in sexual conduct under section 609.352;
- 515.4 (11) malicious punishment or neglect or endangerment of a child under section 609.377
- 515.5 or 609.378;
- 515.6 (12) use of a minor in sexual performance under section 617.246; or
- 515.7 (13) parental behavior, status, or condition ~~that mandates that~~ requiring the county
- 515.8 attorney to file a termination of parental rights petition under section 260C.503, subdivision
- 515.9 2.

515.10 Sec. 15. Minnesota Statutes 2022, section 260E.14, subdivision 2, is amended to read:

515.11 Subd. 2. **Sexual abuse.** (a) The local welfare agency is the agency responsible for

515.12 investigating an allegation of sexual abuse if the alleged offender is the parent, guardian,

515.13 sibling, or an individual functioning within the family unit as a person responsible for the

515.14 child's care, or a person with a significant relationship to the child if that person resides in

515.15 the child's household.

515.16 (b) The local welfare agency is also responsible for assessing or investigating when a

515.17 child is identified as a victim of sex trafficking.

515.18 **EFFECTIVE DATE.** This section is effective July 1, 2024.

515.19 Sec. 16. Minnesota Statutes 2022, section 260E.14, subdivision 5, is amended to read:

515.20 Subd. 5. **Law enforcement.** (a) The local law enforcement agency is the agency

515.21 responsible for investigating a report of maltreatment if a violation of a criminal statute is

515.22 alleged.

515.23 (b) Law enforcement and the responsible agency must coordinate their investigations

515.24 or assessments as required under this chapter when ~~the:~~ (1) a report alleges maltreatment

515.25 that is a violation of a criminal statute by a person who is a parent, guardian, sibling, person

515.26 responsible for the child's care functioning within the family unit, or by a person who lives

515.27 in the child's household and who has a significant relationship to the child; in a setting other

515.28 than a facility as defined in section 260E.03; or (2) a report alleges sex trafficking of a child.

515.29 **EFFECTIVE DATE.** This section is effective July 1, 2024.

516.1 Sec. 17. Minnesota Statutes 2022, section 260E.17, subdivision 1, is amended to read:

516.2 Subdivision 1. **Local welfare agency.** (a) Upon receipt of a report, the local welfare  
516.3 agency shall determine whether to conduct a family assessment ~~or~~, an investigation, or a  
516.4 noncaregiver sex trafficking assessment as appropriate to prevent or provide a remedy for  
516.5 maltreatment.

516.6 (b) The local welfare agency shall conduct an investigation when the report involves  
516.7 sexual abuse, except as indicated in paragraph (f), or substantial child endangerment.

516.8 (c) The local welfare agency shall begin an immediate investigation ~~if~~, at any time when  
516.9 the local welfare agency is ~~using~~ responding with a family assessment ~~response~~, and the  
516.10 local welfare agency determines that there is reason to believe that sexual abuse ~~or~~, substantial  
516.11 child endangerment, or a serious threat to the child's safety exists.

516.12 (d) The local welfare agency may conduct a family assessment for reports that do not  
516.13 allege sexual abuse, except as indicated in paragraph (f), or substantial child endangerment.  
516.14 In determining that a family assessment is appropriate, the local welfare agency may consider  
516.15 issues of child safety, parental cooperation, and the need for an immediate response.

516.16 (e) The local welfare agency may conduct a family assessment ~~on~~ for a report that was  
516.17 initially screened and assigned for an investigation. In determining that a complete  
516.18 investigation is not required, the local welfare agency must document the reason for  
516.19 terminating the investigation and notify the local law enforcement agency if the local law  
516.20 enforcement agency is conducting a joint investigation.

516.21 (f) The local welfare agency shall conduct a noncaregiver sex trafficking assessment  
516.22 when a maltreatment report alleges sex trafficking of a child and the alleged offender is a  
516.23 noncaregiver sex trafficker as defined by section 260E.03, subdivision 15a.

516.24 (g) During a noncaregiver sex trafficking assessment, the local welfare agency shall  
516.25 initiate an immediate investigation if there is reason to believe that a child's parent, caregiver,  
516.26 or household member allegedly engaged in the act of sex trafficking a child or was alleged  
516.27 to have engaged in any conduct requiring the agency to conduct an investigation.

516.28 **EFFECTIVE DATE.** This section is effective July 1, 2024.

516.29 Sec. 18. Minnesota Statutes 2022, section 260E.18, is amended to read:

516.30 **260E.18 NOTICE TO CHILD'S TRIBE.**

516.31 The local welfare agency shall provide immediate notice, according to section 260.761,  
516.32 subdivision 2, to an Indian child's Tribe when the agency has reason to believe that the

517.1 family assessment ~~or~~ investigation, or noncaregiver sex trafficking assessment may involve  
517.2 an Indian child. For purposes of this section, "immediate notice" means notice provided  
517.3 within 24 hours.

517.4 **EFFECTIVE DATE.** This section is effective July 1, 2024.

517.5 Sec. 19. Minnesota Statutes 2022, section 260E.20, subdivision 2, is amended to read:

517.6 Subd. 2. **Face-to-face contact.** (a) Upon receipt of a screened in report, the local welfare  
517.7 agency shall ~~conduct a~~ have face-to-face contact with the child reported to be maltreated  
517.8 and with the child's primary caregiver sufficient to complete a safety assessment and ensure  
517.9 the immediate safety of the child. When it is possible and the report alleges substantial child  
517.10 endangerment or sexual abuse, the local welfare agency is not required to provide notice  
517.11 before conducting the initial face-to-face contact with the child and the child's primary  
517.12 caregiver.

517.13 (b) Except in a noncaregiver sex trafficking assessment, the local welfare agency shall  
517.14 have face-to-face contact with the child and primary caregiver ~~shall occur~~ immediately after  
517.15 the agency screens in a report if sexual abuse or substantial child endangerment is alleged  
517.16 and within five calendar days of a screened in report for all other reports. If the alleged  
517.17 offender was not already interviewed as the primary caregiver, the local welfare agency  
517.18 shall also conduct a face-to-face interview with the alleged offender in the early stages of  
517.19 the assessment or investigation, except in a noncaregiver sex trafficking assessment.  
517.20 Face-to-face contact with the child and primary caregiver in response to a report alleging  
517.21 sexual abuse or substantial child endangerment may be postponed for no more than five  
517.22 calendar days if the child is residing in a location that is confirmed to restrict contact with  
517.23 the alleged offender as established in guidelines issued by the commissioner, or if the local  
517.24 welfare agency is pursuing a court order for the child's caregiver to produce the child for  
517.25 questioning under section 260E.22, subdivision 5.

517.26 (c) At the initial contact with the alleged offender, the local welfare agency or the agency  
517.27 responsible for assessing or investigating the report must inform the alleged offender of the  
517.28 complaints or allegations made against the individual in a manner consistent with laws  
517.29 protecting the rights of the person who made the report. The interview with the alleged  
517.30 offender may be postponed if it would jeopardize an active law enforcement investigation.  
517.31 In a noncaregiver sex trafficking assessment, the local child welfare agency is not required  
517.32 to inform or interview the alleged offender.

517.33 (d) The local welfare agency or the agency responsible for assessing or investigating  
517.34 the report must provide the alleged offender with an opportunity to make a statement, except

518.1 in a noncaregiver sex trafficking assessment. The alleged offender may submit supporting  
518.2 documentation relevant to the assessment or investigation.

518.3 **EFFECTIVE DATE.** This section is effective July 1, 2024.

518.4 Sec. 20. Minnesota Statutes 2022, section 260E.24, subdivision 2, is amended to read:

518.5 Subd. 2. **Determination after family assessment or a noncaregiver sex trafficking**  
518.6 **assessment.** After conducting a family assessment or a noncaregiver sex trafficking  
518.7 assessment, the local welfare agency shall determine whether child protective services are  
518.8 needed to address the safety of the child and other family members and the risk of subsequent  
518.9 maltreatment. The local welfare agency must document the information collected under  
518.10 section 260E.20, subdivision 3, related to the completed family assessment in the child's or  
518.11 family's case notes.

518.12 **EFFECTIVE DATE.** This section is effective July 1, 2024.

518.13 Sec. 21. Minnesota Statutes 2022, section 260E.24, subdivision 7, is amended to read:

518.14 Subd. 7. **Notification at conclusion of family assessment or a noncaregiver sex**  
518.15 **trafficking assessment.** Within ten working days of the conclusion of a family assessment  
518.16 or a noncaregiver sex trafficking assessment, the local welfare agency shall notify the parent  
518.17 or guardian of the child of the need for services to address child safety concerns or significant  
518.18 risk of subsequent maltreatment. The local welfare agency and the family may also jointly  
518.19 agree that family support and family preservation services are needed.

518.20 **EFFECTIVE DATE.** This section is effective July 1, 2024.

518.21 Sec. 22. Minnesota Statutes 2022, section 260E.33, subdivision 1, is amended to read:

518.22 Subdivision 1. **Following a family assessment or a noncaregiver sex trafficking**  
518.23 **assessment.** Administrative reconsideration is not applicable to a family assessment or  
518.24 noncaregiver sex trafficking assessment since no determination concerning maltreatment  
518.25 is made.

518.26 **EFFECTIVE DATE.** This section is effective July 1, 2024.

518.27 Sec. 23. Minnesota Statutes 2022, section 260E.35, subdivision 6, is amended to read:

518.28 Subd. 6. **Data retention.** (a) Notwithstanding sections 138.163 and 138.17, a record  
518.29 maintained or a record derived from a report of maltreatment by a local welfare agency,  
518.30 agency responsible for assessing or investigating the report, court services agency, or school

519.1 under this chapter shall be destroyed as provided in paragraphs (b) to (e) by the responsible  
519.2 authority.

519.3 (b) For a report alleging maltreatment that was not accepted for an assessment or an  
519.4 investigation, a family assessment case, a noncaregiver sex trafficking assessment case, and  
519.5 a case where an investigation results in no determination of maltreatment or the need for  
519.6 child protective services, the record must be maintained for a period of five years after the  
519.7 date that the report was not accepted for assessment or investigation or the date of the final  
519.8 entry in the case record. A record of a report that was not accepted must contain sufficient  
519.9 information to identify the subjects of the report, the nature of the alleged maltreatment,  
519.10 and the reasons ~~as to~~ why the report was not accepted. Records under this paragraph may  
519.11 not be used for employment, background checks, or purposes other than to assist in future  
519.12 screening decisions and risk and safety assessments.

519.13 (c) All records relating to reports that, upon investigation, indicate ~~either~~ maltreatment  
519.14 or a need for child protective services shall be maintained for ten years after the date of the  
519.15 final entry in the case record.

519.16 (d) All records regarding a report of maltreatment, including a notification of intent to  
519.17 interview that was received by a school under section 260E.22, subdivision 7, shall be  
519.18 destroyed by the school when ordered to do so by the agency conducting the assessment or  
519.19 investigation. The agency shall order the destruction of the notification when other records  
519.20 relating to the report under investigation or assessment are destroyed under this subdivision.

519.21 (e) Private or confidential data released to a court services agency under subdivision 3,  
519.22 paragraph (d), must be destroyed by the court services agency when ordered to do so by the  
519.23 local welfare agency that released the data. The local welfare agency or agency responsible  
519.24 for assessing or investigating the report shall order destruction of the data when other records  
519.25 relating to the assessment or investigation are destroyed under this subdivision.

519.26 **EFFECTIVE DATE.** This section is effective July 1, 2024.

519.27 Sec. 24. Minnesota Statutes 2022, section 518A.31, is amended to read:

519.28 **518A.31 SOCIAL SECURITY OR VETERANS' BENEFIT PAYMENTS**  
519.29 **RECEIVED ON BEHALF OF THE CHILD.**

519.30 (a) The amount of the monthly Social Security benefits or apportioned veterans' benefits  
519.31 provided for a joint child shall be included in the gross income of the parent on whose  
519.32 eligibility the benefits are based.

520.1 (b) The amount of the monthly survivors' and dependents' educational assistance provided  
520.2 for a joint child shall be included in the gross income of the parent on whose eligibility the  
520.3 benefits are based.

520.4 (c) If Social Security or apportioned veterans' benefits are provided for a joint child  
520.5 based on the eligibility of the obligor, and are received by the obligee as a representative  
520.6 payee for the child or by the child attending school, then the amount of the benefits shall  
520.7 also be subtracted from the obligor's net child support obligation as calculated pursuant to  
520.8 section 518A.34.

520.9 (d) If the survivors' and dependents' educational assistance is provided for a joint child  
520.10 based on the eligibility of the obligor, and is received by the obligee as a representative  
520.11 payee for the child or by the child attending school, then the amount of the assistance shall  
520.12 also be subtracted from the obligor's net child support obligation as calculated under section  
520.13 518A.34.

520.14 (e) Upon a motion to modify child support, any regular or lump sum payment of Social  
520.15 Security or apportioned veterans' benefit received by the obligee for the benefit of the joint  
520.16 child based upon the obligor's disability prior to filing the motion to modify may be used  
520.17 to satisfy arrears that remain due for the period of time for which the benefit was received.  
520.18 This paragraph applies only if the derivative benefit was not considered in the guidelines  
520.19 calculation of the previous child support order.

520.20 **EFFECTIVE DATE.** This section is effective January 1, 2025.

520.21 Sec. 25. Minnesota Statutes 2022, section 518A.32, subdivision 3, is amended to read:

520.22 Subd. 3. **Parent not considered voluntarily unemployed, underemployed, or employed**  
520.23 **on a less than full-time basis.** A parent is not considered voluntarily unemployed,  
520.24 underemployed, or employed on a less than full-time basis upon a showing by the parent  
520.25 that:

520.26 (1) the unemployment, underemployment, or employment on a less than full-time basis  
520.27 is temporary and will ultimately lead to an increase in income;

520.28 (2) the unemployment, underemployment, or employment on a less than full-time basis  
520.29 represents a bona fide career change that outweighs the adverse effect of that parent's  
520.30 diminished income on the child; ~~or~~

520.31 (3) the unemployment, underemployment, or employment on a less than full-time basis  
520.32 is because a parent is physically or mentally incapacitated or due to incarceration; or



521.1 (4) a governmental agency authorized to determine eligibility for general assistance or  
521.2 supplemental Social Security income has determined that the individual is eligible to receive  
521.3 general assistance or supplemental Social Security income. Actual income earned by the  
521.4 parent may be considered for the purpose of calculating child support.

521.5 **EFFECTIVE DATE.** This section is effective January 1, 2025.

521.6 Sec. 26. Minnesota Statutes 2022, section 518A.32, subdivision 4, is amended to read:

521.7 Subd. 4. **TANF or MFIP recipient.** If the parent of a joint child is a recipient of a  
521.8 temporary assistance to a needy family (TANF) cash grant; or comparable state-funded  
521.9 Minnesota family investment program (MFIP) benefits, no potential income is to be imputed  
521.10 to that parent.

521.11 **EFFECTIVE DATE.** This section is effective January 1, 2025.

521.12 Sec. 27. Minnesota Statutes 2022, section 518A.34, is amended to read:

521.13 **518A.34 COMPUTATION OF CHILD SUPPORT OBLIGATIONS.**

521.14 (a) To determine the presumptive child support obligation of a parent, the court shall  
521.15 follow the procedure set forth in this section.

521.16 (b) To determine the obligor's basic support obligation, the court shall:

521.17 (1) determine the gross income of each parent under section 518A.29;

521.18 (2) calculate the parental income for determining child support (PICS) of each parent,  
521.19 by subtracting from the gross income the credit, if any, for each parent's nonjoint children  
521.20 under section 518A.33;

521.21 (3) determine the percentage contribution of each parent to the combined PICS by  
521.22 dividing the combined PICS into each parent's PICS;

521.23 (4) determine the combined basic support obligation by application of the guidelines in  
521.24 section 518A.35;

521.25 (5) determine each parent's share of the combined basic support obligation by multiplying  
521.26 the percentage figure from clause (3) by the combined basic support obligation in clause  
521.27 (4); and

521.28 (6) apply the parenting expense adjustment formula provided in section 518A.36 to  
521.29 determine the obligor's basic support obligation.

522.1 (c) If the parents have split custody of joint children, child support must be calculated  
522.2 for each joint child as follows:

522.3 (1) the court shall determine each parent's basic support obligation under paragraph (b)  
522.4 and include the amount of each parent's obligation in the court order. If the basic support  
522.5 calculation results in each parent owing support to the other, the court shall offset the higher  
522.6 basic support obligation with the lower basic support obligation to determine the amount  
522.7 to be paid by the parent with the higher obligation to the parent with the lower obligation.  
522.8 For the purpose of the cost-of-living adjustment required under section 518A.75, the  
522.9 adjustment must be based on each parent's basic support obligation prior to offset. For the  
522.10 purposes of this paragraph, "split custody" means that there are two or more joint children  
522.11 and each parent has at least one joint child more than 50 percent of the time;

522.12 (2) if each parent pays all child care expenses for at least one joint child, the court shall  
522.13 calculate child care support for each joint child as provided in section 518A.40. The court  
522.14 shall determine each parent's child care support obligation and include the amount of each  
522.15 parent's obligation in the court order. If the child care support calculation results in each  
522.16 parent owing support to the other, the court shall offset the higher child care support  
522.17 obligation with the lower child care support obligation to determine the amount to be paid  
522.18 by the parent with the higher obligation to the parent with the lower obligation; and

522.19 (3) if each parent pays all medical or dental insurance expenses for at least one joint  
522.20 child, medical support shall be calculated for each joint child as provided in section 518A.41.  
522.21 The court shall determine each parent's medical support obligation and include the amount  
522.22 of each parent's obligation in the court order. If the medical support calculation results in  
522.23 each parent owing support to the other, the court shall offset the higher medical support  
522.24 obligation with the lower medical support obligation to determine the amount to be paid by  
522.25 the parent with the higher obligation to the parent with the lower obligation. Unreimbursed  
522.26 and uninsured medical expenses are not included in the presumptive amount of support  
522.27 owed by a parent and are calculated and collected as provided in section 518A.41.

522.28 (d) The court shall determine the child care support obligation for the obligor as provided  
522.29 in section 518A.40.

522.30 (e) The court shall determine the medical support obligation for each parent as provided  
522.31 in section 518A.41. Unreimbursed and uninsured medical expenses are not included in the  
522.32 presumptive amount of support owed by a parent and are calculated and collected as described  
522.33 in section 518A.41.

523.1 (f) The court shall determine each parent's total child support obligation by adding  
 523.2 together each parent's basic support, child care support, and health care coverage obligations  
 523.3 as provided in this section.

523.4 (g) If Social Security benefits or veterans' benefits are received by one parent as a  
 523.5 representative payee for a joint child based on the other parent's eligibility, the court shall  
 523.6 subtract the amount of benefits from the other parent's net child support obligation, if any.  
 523.7 Any benefit received by the obligee for the benefit of the joint child based upon the obligor's  
 523.8 disability or past earnings in any given month in excess of the child support obligation must  
 523.9 not be treated as an arrearage payment or a future payment.

523.10 (h) The final child support order shall separately designate the amount owed for basic  
 523.11 support, child care support, and medical support. If applicable, the court shall use the  
 523.12 self-support adjustment and minimum support adjustment under section 518A.42 to determine  
 523.13 the obligor's child support obligation.

523.14 **EFFECTIVE DATE.** This section is effective January 1, 2025.

523.15 Sec. 28. Minnesota Statutes 2022, section 518A.41, is amended to read:

523.16 **518A.41 MEDICAL SUPPORT.**

523.17 Subdivision 1. **Definitions.** The definitions in this subdivision apply to this chapter and  
 523.18 chapter 518.

523.19 (a) "Health care coverage" means ~~medical, dental, or other health care benefits that are~~  
 523.20 ~~provided by one or more health plans. Health care coverage does not include any form of~~  
 523.21 public coverage private health care coverage, including fee for service, health maintenance  
 523.22 organization, preferred provider organization, and other types of private health care coverage.  
 523.23 Health care coverage also means public health care coverage under which medical or dental  
 523.24 services could be provided to a dependent child.

523.25 ~~(b) "Health carrier" means a carrier as defined in sections 62A.011, subdivision 2, and~~  
 523.26 ~~62L.02, subdivision 16.~~

523.27 ~~(c) "Health plan"~~ (b) "Private health care coverage" means a health plan, ~~other than any~~  
 523.28 ~~form of public coverage~~, that provides medical, dental, or other health care benefits and is:

523.29 (1) provided on an individual or group basis;

523.30 (2) provided by an employer or union;

523.31 (3) purchased in the private market; ~~or~~

524.1 (4) provided through MinnesotaCare under chapter 256L; or

524.2 ~~(4)~~ (5) available to a person eligible to carry insurance for the joint child, including a  
524.3 party's spouse or parent.

524.4 ~~Health plan~~ Private health care coverage includes, but is not limited to, a health plan meeting  
524.5 the definition under section 62A.011, subdivision 3, except that the exclusion of coverage  
524.6 designed solely to provide dental or vision care under section 62A.011, subdivision 3, clause  
524.7 (6), does not apply to the definition of ~~health plan~~ private health care coverage under this  
524.8 section; a group health plan governed under the federal Employee Retirement Income  
524.9 Security Act of 1974 (ERISA); a self-insured plan under sections 43A.23 to 43A.317 and  
524.10 471.617; and a policy, contract, or certificate issued by a community-integrated service  
524.11 network licensed under chapter 62N.

524.12 (c) "Public health care coverage" means health care benefits provided by any form of  
524.13 medical assistance under chapter 256B. Public health care coverage does not include  
524.14 MinnesotaCare or health plans subsidized by federal premium tax credits or federal  
524.15 cost-sharing reductions.

524.16 (d) "Medical support" means providing health care coverage for a joint child by carrying  
524.17 health care coverage for the joint child or by contributing to the cost of health care coverage,  
524.18 public coverage, unreimbursed medical health-related expenses, and uninsured medical  
524.19 health-related expenses of the joint child.

524.20 (e) "National medical support notice" means an administrative notice issued by the public  
524.21 authority to enforce health insurance provisions of a support order in accordance with Code  
524.22 of Federal Regulations, title 45, section 303.32, in cases where the public authority provides  
524.23 support enforcement services.

524.24 ~~(f) "Public coverage" means health care benefits provided by any form of medical~~  
524.25 ~~assistance under chapter 256B. Public coverage does not include MinnesotaCare or health~~  
524.26 ~~plans subsidized by federal premium tax credits or federal cost-sharing reductions.~~

524.27 ~~(g)~~ (f) "Uninsured medical health-related expenses" means a joint child's reasonable and  
524.28 necessary health-related medical and dental expenses if the joint child is not covered by a  
524.29 health plan or public coverage private health insurance care when the expenses are incurred.

524.30 ~~(h)~~ (g) "Unreimbursed medical health-related expenses" means a joint child's reasonable  
524.31 and necessary health-related medical and dental expenses if a joint child is covered by a  
524.32 health plan or public coverage health care coverage and the plan or health care coverage  
524.33 does not pay for the total cost of the expenses when the expenses are incurred. Unreimbursed

525.1 ~~medical~~ health-related expenses do not include the cost of premiums. Unreimbursed ~~medical~~  
 525.2 health-related expenses include, but are not limited to, deductibles, co-payments, and  
 525.3 expenses for orthodontia, and prescription eyeglasses and contact lenses, but not  
 525.4 over-the-counter medications if ~~coverage is under a health plan~~ provided through health  
 525.5 care coverage.

525.6 Subd. 2. **Order.** (a) A completed national medical support notice issued by the public  
 525.7 authority or a court order that complies with this section is a qualified medical child support  
 525.8 order under the federal Employee Retirement Income Security Act of 1974 (ERISA), United  
 525.9 States Code, title 29, section 1169(a).

525.10 (b) Every order addressing child support must state:

525.11 (1) the names, last known addresses, and Social Security numbers of the parents and the  
 525.12 joint child that is a subject of the order unless the court prohibits the inclusion of an address  
 525.13 or Social Security number and orders the parents to provide the address and Social Security  
 525.14 number to the administrator of the health plan;

525.15 (2) ~~if a joint child is not presently enrolled in health care coverage~~, whether appropriate  
 525.16 health care coverage for the joint child is available and, if so, state:

525.17 (i) the parents' responsibilities for carrying health care coverage;

525.18 (ii) the cost of premiums and how the cost is allocated between the parents; ~~and~~

525.19 (iii) the circumstances, if any, under which an obligation to provide private health care  
 525.20 coverage for the joint child will shift from one parent to the other; and

525.21 ~~(3) if appropriate health care coverage is not available for the joint child,~~ (iv) whether  
 525.22 a contribution for ~~medical support~~ public health care coverage is required; and

525.23 ~~(4)~~ (3) how unreimbursed or uninsured ~~medical~~ health-related expenses will be allocated  
 525.24 between the parents.

525.25 Subd. 3. **Determining appropriate health care coverage.** Public health care coverage  
 525.26 is presumed appropriate. In determining whether a parent has appropriate private health  
 525.27 care coverage for the joint child, the court must consider the following factors:

525.28 (1) comprehensiveness of private health care coverage providing medical benefits.  
 525.29 Dependent private health care coverage providing medical benefits is presumed  
 525.30 comprehensive if it includes medical and hospital coverage and provides for preventive,  
 525.31 emergency, acute, and chronic care; or if it meets the minimum essential coverage definition  
 525.32 in United States Code, title 26, section 5000A(f). If both parents have private health care

526.1 coverage providing medical benefits that is presumed comprehensive under this paragraph,  
 526.2 the court must determine which parent's private health care coverage is more comprehensive  
 526.3 by considering what other benefits are included in the private health care coverage;

526.4 (2) accessibility. Dependent private health care coverage is accessible if the covered  
 526.5 joint child can obtain services from a health plan provider with reasonable effort by the  
 526.6 parent with whom the joint child resides. Private health care coverage is presumed accessible  
 526.7 if:

526.8 (i) primary care is available within 30 minutes or 30 miles of the joint child's residence  
 526.9 and specialty care is available within 60 minutes or 60 miles of the joint child's residence;

526.10 (ii) the private health care coverage is available through an employer and the employee  
 526.11 can be expected to remain employed for a reasonable amount of time; and

526.12 (iii) no preexisting conditions exist to unduly delay enrollment in private health care  
 526.13 coverage;

526.14 (3) the joint child's special medical needs, if any; and

526.15 (4) affordability. Dependent private health care coverage is presumed affordable if it is  
 526.16 ~~reasonable in cost. If both parents have health care coverage available for a joint child that~~  
 526.17 ~~is comparable with regard to comprehensiveness of medical benefits, accessibility, and the~~  
 526.18 ~~joint child's special needs, the least costly health care coverage is presumed to be the most~~  
 526.19 ~~appropriate health care coverage for the joint child~~ the premium to cover the marginal cost  
 526.20 of the joint child does not exceed five percent of the parents' combined monthly PICS. A  
 526.21 court may additionally consider high deductibles and the cost to enroll the parent if the  
 526.22 parent must enroll themselves in private health care coverage to access private health care  
 526.23 coverage for the child.

526.24 **Subd. 4. Ordering health care coverage.** ~~(a) If a joint child is presently enrolled in~~  
 526.25 ~~health care coverage, the court must order that the parent who currently has the joint child~~  
 526.26 ~~enrolled continue that enrollment unless the parties agree otherwise or a party requests a~~  
 526.27 ~~change in coverage and the court determines that other health care coverage is more~~  
 526.28 ~~appropriate.~~

526.29 ~~(b) If a joint child is not presently enrolled in health care coverage providing medical~~  
 526.30 ~~benefits, upon motion of a parent or the public authority, the court must determine whether~~  
 526.31 ~~one or both parents have appropriate health care coverage providing medical benefits for~~  
 526.32 ~~the joint child.~~

527.1 (a) If a joint child is presently enrolled in health care coverage, the court shall order that  
 527.2 the parent who currently has the joint child enrolled in health care coverage continue that  
 527.3 enrollment if the health care coverage is appropriate as defined under subdivision 3.

527.4 ~~(e)~~ (b) If only one parent has appropriate health care coverage providing medical benefits  
 527.5 available, the court must order that parent to carry the coverage for the joint child.

527.6 ~~(d)~~ (c) If both parents have appropriate health care coverage providing medical benefits  
 527.7 available, the court must order the parent with whom the joint child resides to carry the  
 527.8 health care coverage for the joint child, unless:

527.9 (1) a party expresses a preference for private health care coverage providing medical  
 527.10 benefits available through the parent with whom the joint child does not reside;

527.11 (2) the parent with whom the joint child does not reside is already carrying dependent  
 527.12 private health care coverage providing medical benefits for other children and the cost of  
 527.13 contributing to the premiums of the other parent's health care coverage would cause the  
 527.14 parent with whom the joint child does not reside extreme hardship; or

527.15 (3) the parties agree as to which parent will carry health care coverage providing medical  
 527.16 benefits and agree on the allocation of costs.

527.17 ~~(e)~~ (d) If the exception in paragraph ~~(d)~~ (c), clause (1) or (2), applies, the court must  
 527.18 determine which parent has the most appropriate health care coverage providing medical  
 527.19 benefits available and order that parent to carry health care coverage for the joint child.

527.20 ~~(f)~~ (e) If neither parent has appropriate health care coverage available, the court must  
 527.21 order the parents to:

527.22 ~~(1)~~ contribute toward the actual health care costs of the joint children based on a pro  
 527.23 rata share; ~~or,~~

527.24 ~~(2) if the joint child is receiving any form of public coverage, the parent with whom the~~  
 527.25 ~~joint child does not reside shall contribute a monthly amount toward the actual cost of public~~  
 527.26 ~~coverage. The amount of the noncustodial parent's contribution is determined by applying~~  
 527.27 ~~the noncustodial parent's PICS to the premium scale for MinnesotaCare under section~~  
 527.28 ~~256L.15, subdivision 2, paragraph (d). If the noncustodial parent's PICS meets the eligibility~~  
 527.29 ~~requirements for MinnesotaCare, the contribution is the amount the noncustodial parent~~  
 527.30 ~~would pay for the child's premium. If the noncustodial parent's PICS exceeds the eligibility~~  
 527.31 ~~requirements, the contribution is the amount of the premium for the highest eligible income~~  
 527.32 ~~on the premium scale for MinnesotaCare under section 256L.15, subdivision 2, paragraph~~  
 527.33 ~~(d). For purposes of determining the premium amount, the noncustodial parent's household~~

528.1 ~~size is equal to one parent plus the child or children who are the subject of the child support~~  
 528.2 ~~order. The custodial parent's obligation is determined under the requirements for public~~  
 528.3 ~~coverage as set forth in chapter 256B; or~~

528.4 ~~(3) if the noncustodial parent's PICS meet the eligibility requirement for public coverage~~  
 528.5 ~~under chapter 256B or the noncustodial parent receives public assistance, the noncustodial~~  
 528.6 ~~parent must not be ordered to contribute toward the cost of public coverage.~~

528.7 ~~(g)~~ (f) If neither parent has appropriate health care coverage available, the court may  
 528.8 order the parent with whom the child resides to apply for public health care coverage for  
 528.9 the child.

528.10 ~~(h) The commissioner of human services must publish a table with the premium schedule~~  
 528.11 ~~for public coverage and update the chart for changes to the schedule by July 1 of each year.~~

528.12 ~~(i)~~ (g) If a joint child is not presently enrolled in private health care coverage providing  
 528.13 dental benefits, upon motion of a parent or the public authority, the court must determine  
 528.14 whether one or both parents have appropriate ~~dental~~ private health care coverage providing  
 528.15 dental benefits for the joint child, and the court may order a parent with appropriate ~~dental~~  
 528.16 private health care coverage providing dental benefits available to carry the health care  
 528.17 coverage for the joint child.

528.18 ~~(j)~~ (h) If a joint child is not presently enrolled in available private health care coverage  
 528.19 providing benefits other than medical benefits or dental benefits, upon motion of a parent  
 528.20 or the public authority, the court may determine whether ~~that other~~ private health care  
 528.21 coverage providing other health benefits for the joint child is appropriate, and the court may  
 528.22 order a parent with that appropriate private health care coverage available to carry the  
 528.23 coverage for the joint child.

528.24 Subd. 5. **Medical support costs; unreimbursed and uninsured ~~medical~~ health-related**  
 528.25 **expenses.** (a) Unless otherwise agreed to by the parties and approved by the court, the court  
 528.26 must order that the cost of private health care coverage and all unreimbursed and uninsured  
 528.27 ~~medical~~ health-related expenses ~~under the health plan~~ be divided between the obligor and  
 528.28 obligee based on their proportionate share of the parties' combined monthly PICS. The  
 528.29 amount allocated for medical support is considered child support but is not subject to a  
 528.30 cost-of-living adjustment under section 518A.75.

528.31 (b) If a party owes a ~~joint child~~ basic support obligation for a joint child and is ordered  
 528.32 to carry private health care coverage for the joint child, and the other party is ordered to  
 528.33 contribute to the carrying party's cost for coverage, the carrying party's ~~child~~ basic support  
 528.34 payment must be reduced by the amount of the contributing party's contribution.



529.1 (c) If a party owes a ~~joint child~~ basic support obligation for a joint child and is ordered  
529.2 to contribute to the other party's cost for carrying private health care coverage for the joint  
529.3 child, the contributing party's child support payment must be increased by the amount of  
529.4 the contribution. The contribution toward private health care coverage must not be charged  
529.5 in any month in which the party ordered to carry private health care coverage fails to maintain  
529.6 private coverage.

529.7 (d) If the party ordered to carry private health care coverage for the joint child already  
529.8 carries dependent private health care coverage for other dependents and would incur no  
529.9 additional premium costs to add the joint child to the existing health care coverage, the court  
529.10 must not order the other party to contribute to the premium costs for health care coverage  
529.11 of the joint child.

529.12 (e) If a party ordered to carry private health care coverage for the joint child does not  
529.13 already carry dependent private health care coverage but has other dependents who may be  
529.14 added to the ordered health care coverage, the full premium costs of the dependent private  
529.15 health care coverage must be allocated between the parties in proportion to the party's share  
529.16 of the parties' combined monthly PICS, unless the parties agree otherwise.

529.17 (f) If a party ordered to carry private health care coverage for the joint child is required  
529.18 to enroll in a health plan so that the joint child can be enrolled in dependent private health  
529.19 care coverage under the plan, the court must allocate the costs of the dependent private  
529.20 health care coverage between the parties. The costs of the private health care coverage for  
529.21 the party ordered to carry the health care coverage for the joint child must not be allocated  
529.22 between the parties.

529.23 (g) If the joint child is receiving any form of public health care coverage:

529.24 (1) the parent with whom the joint child does not reside shall contribute a monthly  
529.25 amount toward the actual cost of public health care coverage. The amount of the noncustodial  
529.26 parent's contribution is determined by applying the noncustodial parent's PICS to the premium  
529.27 scale for MinnesotaCare under section 256L.15, subdivision 2, paragraph (d). If the  
529.28 noncustodial parent's PICS meets the eligibility requirements for MinnesotaCare, the  
529.29 contribution is the amount that the noncustodial parent would pay for the child's premium;

529.30 (2) if the noncustodial parent's PICS exceeds the eligibility requirements, the contribution  
529.31 is the amount of the premium for the highest eligible income on the premium scale for  
529.32 MinnesotaCare under section 256L.15, subdivision 2, paragraph (d). For purposes of  
529.33 determining the premium amount, the noncustodial parent's household size is equal to one  
529.34 parent plus the child or children who are the subject of the order;

530.1 (3) the custodial parent's obligation is determined under the requirements for public  
530.2 health care coverage in chapter 256B; or

530.3 (4) if the noncustodial parent's PICS is less than 200 percent of the federal poverty  
530.4 guidelines for one person or the noncustodial parent receives public assistance, the  
530.5 noncustodial parent must not be ordered to contribute toward the cost of public health care  
530.6 coverage.

530.7 (h) The commissioner of human services must publish a table for section 256L.15,  
530.8 subdivision 2, paragraph (d), and update the table with changes to the schedule by July 1  
530.9 of each year.

530.10 **Subd. 6. Notice or court order sent to party's employer, union, or health carrier.** (a)  
530.11 The public authority must forward a copy of the national medical support notice or court  
530.12 order for private health care coverage to the party's employer within two business days after  
530.13 the date the party is entered into the work reporting system under section 256.998.

530.14 (b) The public authority or a party seeking to enforce an order for private health care  
530.15 coverage must forward a copy of the national medical support notice or court order to the  
530.16 obligor's employer or union, or to the health carrier under the following circumstances:

530.17 (1) the party ordered to carry private health care coverage for the joint child fails to  
530.18 provide written proof to the other party or the public authority, within 30 days of the effective  
530.19 date of the court order, that the party has applied for private health care coverage for the  
530.20 joint child;

530.21 (2) the party seeking to enforce the order or the public authority gives written notice to  
530.22 the party ordered to carry private health care coverage for the joint child of its intent to  
530.23 enforce medical support. The party seeking to enforce the order or public authority must  
530.24 mail the written notice to the last known address of the party ordered to carry private health  
530.25 care coverage for the joint child; and

530.26 (3) the party ordered to carry private health care coverage for the joint child fails, within  
530.27 15 days after the date on which the written notice under clause (2) was mailed, to provide  
530.28 written proof to the other party or the public authority that the party has applied for private  
530.29 health care coverage for the joint child.

530.30 (c) The public authority is not required to forward a copy of the national medical support  
530.31 notice or court order to the obligor's employer or union, or to the health carrier, if the court  
530.32 orders private health care coverage for the joint child that is not employer-based or  
530.33 union-based coverage.

531.1 Subd. 7. **Employer or union requirements.** (a) An employer or union must forward  
531.2 the national medical support notice or court order to its health plan within 20 business days  
531.3 after the date on the national medical support notice or after receipt of the court order.

531.4 (b) Upon determination by an employer's or union's health plan administrator that a joint  
531.5 child is eligible to be covered under the health plan, the employer or union and health plan  
531.6 must enroll the joint child as a beneficiary in the health plan, and the employer must withhold  
531.7 any required premiums from the income or wages of the party ordered to carry health care  
531.8 coverage for the joint child.

531.9 (c) If enrollment of the party ordered to carry private health care coverage for a joint  
531.10 child is necessary to obtain dependent private health care coverage under the plan, and the  
531.11 party is not enrolled in the health plan, the employer or union must enroll the party in the  
531.12 plan.

531.13 (d) Enrollment of dependents and, if necessary, the party ordered to carry private health  
531.14 care coverage for the joint child must be immediate and not dependent upon open enrollment  
531.15 periods. Enrollment is not subject to the underwriting policies under section 62A.048.

531.16 (e) Failure of the party ordered to carry private health care coverage for the joint child  
531.17 to execute any documents necessary to enroll the dependent in the health plan does not  
531.18 affect the obligation of the employer or union and health plan to enroll the dependent in a  
531.19 plan. Information and authorization provided by the public authority, or by a party or  
531.20 guardian, is valid for the purposes of meeting enrollment requirements of the health plan.

531.21 (f) An employer or union that is included under the federal Employee Retirement Income  
531.22 Security Act of 1974 (ERISA), United States Code, title 29, section 1169(a), may not deny  
531.23 enrollment to the joint child or to the parent if necessary to enroll the joint child based on  
531.24 exclusionary clauses described in section 62A.048.

531.25 (g) A new employer or union of a party who is ordered to provide private health care  
531.26 coverage for a joint child must enroll the joint child in the party's health plan as required  
531.27 by a national medical support notice or court order.

531.28 Subd. 8. **Health plan requirements.** (a) If a health plan administrator receives a  
531.29 completed national medical support notice or court order, the plan administrator must notify  
531.30 the parties, and the public authority if the public authority provides support enforcement  
531.31 services, within 40 business days after the date of the notice or after receipt of the court  
531.32 order, of the following:

532.1 (1) whether health care coverage is available to the joint child under the terms of the  
532.2 health plan and, if not, the reason why health care coverage is not available;

532.3 (2) whether the joint child is covered under the health plan;

532.4 (3) the effective date of the joint child's coverage under the health plan; and

532.5 (4) what steps, if any, are required to effectuate the joint child's coverage under the health  
532.6 plan.

532.7 (b) If the employer or union offers more than one plan and the national medical support  
532.8 notice or court order does not specify the plan to be carried, the plan administrator must  
532.9 notify the parents and the public authority if the public authority provides support  
532.10 enforcement services. When there is more than one option available under the plan, the  
532.11 public authority, in consultation with the parent with whom the joint child resides, must  
532.12 promptly select from available plan options.

532.13 (c) The plan administrator must provide the parents and public authority, if the public  
532.14 authority provides support enforcement services, with a notice of the joint child's enrollment,  
532.15 description of the health care coverage, and any documents necessary to effectuate coverage.

532.16 (d) The health plan must send copies of all correspondence regarding the private health  
532.17 care coverage to the parents.

532.18 (e) An insured joint child's parent's signature is a valid authorization to a health plan for  
532.19 purposes of processing an insurance reimbursement payment to the medical services provider  
532.20 or to the parent, if medical services have been prepaid by that parent.

532.21 **Subd. 9. Employer or union liability.** (a) An employer or union that willfully fails to  
532.22 comply with the order or notice is liable for any uninsured ~~medical~~ health-related expenses  
532.23 incurred by the dependents while the dependents were eligible to be enrolled in the health  
532.24 plan and for any other premium costs incurred because the employer or union willfully  
532.25 failed to comply with the order or notice.

532.26 (b) An employer or union that fails to comply with the order or notice is subject to a  
532.27 contempt finding, a \$250 civil penalty under section 518A.73, and is subject to a civil penalty  
532.28 of \$500 to be paid to the party entitled to reimbursement or the public authority. Penalties  
532.29 paid to the public authority are designated for child support enforcement services.

532.30 **Subd. 10. Contesting enrollment.** (a) A party may contest a joint child's enrollment in  
532.31 a health plan on the limited grounds that the enrollment is improper due to mistake of fact  
532.32 or that the enrollment meets the requirements of section 518.145.

533.1 (b) If the party chooses to contest the enrollment, the party must do so no later than 15  
533.2 days after the employer notifies the party of the enrollment by doing the following:

533.3 (1) filing a motion in district court or according to section 484.702 and the expedited  
533.4 child support process rules if the public authority provides support enforcement services;

533.5 (2) serving the motion on the other party and public authority if the public authority  
533.6 provides support enforcement services; and

533.7 (3) securing a date for the matter to be heard no later than 45 days after the notice of  
533.8 enrollment.

533.9 (c) The enrollment must remain in place while the party contests the enrollment.

533.10 Subd. 11. **Disenrollment; continuation of coverage; coverage options.** (a) Unless a  
533.11 court order provides otherwise, a child for whom a party is required to provide private health  
533.12 care coverage under this section must be covered as a dependent of the party until the child  
533.13 is emancipated, until further order of the court, or as consistent with the terms of the health  
533.14 care coverage.

533.15 (b) The health carrier, employer, or union may not disenroll or eliminate health care  
533.16 coverage for the child unless:

533.17 (1) the health carrier, employer, or union is provided satisfactory written evidence that  
533.18 the court order is no longer in effect;

533.19 (2) the joint child is or will be enrolled in comparable private health care coverage  
533.20 through another health plan that will take effect no later than the effective date of the  
533.21 disenrollment;

533.22 (3) the employee is no longer eligible for dependent health care coverage; or

533.23 (4) the required premium has not been paid by or on behalf of the joint child.

533.24 (c) The health plan must provide 30 days' written notice to the joint child's parents, and  
533.25 the public authority if the public authority provides support enforcement services, before  
533.26 the health plan disenrolls or eliminates the joint child's health care coverage.

533.27 (d) A joint child enrolled in private health care coverage under a qualified medical child  
533.28 support order, including a national medical support notice, under this section is a dependent  
533.29 and a qualified beneficiary under the Consolidated Omnibus Budget and Reconciliation Act  
533.30 of 1985 (COBRA), Public Law 99-272. Upon expiration of the order, the joint child is  
533.31 entitled to the opportunity to elect continued health care coverage that is available under

534.1 the health plan. The employer or union must provide notice to the parties and the public  
534.2 authority, if it provides support services, within ten days of the termination date.

534.3 (e) If the public authority provides support enforcement services and a plan administrator  
534.4 reports to the public authority that there is more than one coverage option available under  
534.5 the health plan, the public authority, in consultation with the parent with whom the joint  
534.6 child resides, must promptly select health care coverage from the available options.

534.7 Subd. 12. **Spousal or former spousal coverage.** The court must require the parent with  
534.8 whom the joint child does not reside to provide dependent private health care coverage for  
534.9 the benefit of the parent with whom the joint child resides if the parent with whom the child  
534.10 does not reside is ordered to provide dependent private health care coverage for the parties'  
534.11 joint child and adding the other parent to the health care coverage results in no additional  
534.12 premium cost.

534.13 Subd. 13. **Disclosure of information.** (a) If the public authority provides support  
534.14 enforcement services, the parties must provide the public authority with the following  
534.15 information:

534.16 (1) information relating to dependent health care coverage ~~or public coverage~~ available  
534.17 for the benefit of the joint child for whom support is sought, including all information  
534.18 required to be included in a medical support order under this section;

534.19 (2) verification that application for court-ordered health care coverage was made within  
534.20 30 days of the court's order; and

534.21 (3) the reason that a joint child is not enrolled in court-ordered health care coverage, if  
534.22 a joint child is not enrolled in health care coverage or subsequently loses health care coverage.

534.23 (b) Upon request from the public authority under section 256.978, an employer, union,  
534.24 or plan administrator, including an employer subject to the federal Employee Retirement  
534.25 Income Security Act of 1974 (ERISA), United States Code, title 29, section 1169(a), must  
534.26 provide the public authority the following information:

534.27 (1) information relating to dependent private health care coverage available to a party  
534.28 for the benefit of the joint child for whom support is sought, including all information  
534.29 required to be included in a medical support order under this section; and

534.30 (2) information that will enable the public authority to determine whether a health plan  
534.31 is appropriate for a joint child, including, but not limited to, all available plan options, any  
534.32 geographic service restrictions, and the location of service providers.

535.1 (c) The employer, union, or plan administrator must not release information regarding  
535.2 one party to the other party. The employer, union, or plan administrator must provide both  
535.3 parties with insurance identification cards and all necessary written information to enable  
535.4 the parties to utilize the insurance benefits for the covered dependent.

535.5 (d) The public authority is authorized to release to a party's employer, union, or health  
535.6 plan information necessary to verify availability of dependent private health care coverage,  
535.7 or to establish, modify, or enforce medical support.

535.8 (e) An employee must disclose to an employer if medical support is required to be  
535.9 withheld under this section and the employer must begin withholding according to the terms  
535.10 of the order and under section 518A.53. If an employee discloses an obligation to obtain  
535.11 private health care coverage and health care coverage is available through the employer,  
535.12 the employer must make all application processes known to the individual and enroll the  
535.13 employee and dependent in the plan.

535.14 Subd. 14. **Child support enforcement services.** The public authority must take necessary  
535.15 steps to establish, enforce, and modify an order for medical support if the joint child receives  
535.16 public assistance or a party completes an application for services from the public authority  
535.17 under section 518A.51.

535.18 Subd. 15. **Enforcement.** (a) Remedies available for collecting and enforcing child  
535.19 support apply to medical support.

535.20 (b) For the purpose of enforcement, the following are additional support:

535.21 (1) the costs of individual or group health or hospitalization coverage;

535.22 (2) dental coverage;

535.23 (3) medical costs ordered by the court to be paid by either party, including health care  
535.24 coverage premiums paid by the obligee because of the obligor's failure to obtain health care  
535.25 coverage as ordered; and

535.26 (4) liabilities established under this subdivision.

535.27 (c) A party who fails to carry court-ordered dependent private health care coverage is  
535.28 liable for the joint child's uninsured ~~medical~~ health-related expenses unless a court order  
535.29 provides otherwise. A party's failure to carry court-ordered health care coverage, or to  
535.30 provide other medical support as ordered, is a basis for modification of medical support  
535.31 under section 518A.39, subdivision 8, unless it meets the presumption in section 518A.39,  
535.32 subdivision 2.

536.1 (d) Payments by the health carrier or employer for services rendered to the dependents  
536.2 that are directed to a party not owed reimbursement must be endorsed over to and forwarded  
536.3 to the vendor or appropriate party or the public authority. A party retaining insurance  
536.4 reimbursement not owed to the party is liable for the amount of the reimbursement.

536.5 Subd. 16. **Offset.** (a) If a party is the parent with primary physical custody as defined  
536.6 in section 518A.26, subdivision 17, and is an obligor ordered to contribute to the other  
536.7 party's cost for carrying health care coverage for the joint child, the other party's child  
536.8 support and spousal maintenance obligations are subject to an offset under subdivision 5.

536.9 (b) The public authority, if the public authority provides child support enforcement  
536.10 services, may remove the offset to a party's child support obligation when:

536.11 (1) the party's court-ordered private health care coverage for the joint child terminates;

536.12 (2) the party does not enroll the joint child in other private health care coverage; and

536.13 (3) a modification motion is not pending.

536.14 The public authority must provide notice to the parties of the action. If neither party requests  
536.15 a hearing, the public authority must remove the offset effective the first day of the month  
536.16 following termination of the joint child's private health care coverage.

536.17 (c) The public authority, if the public authority provides child support enforcement  
536.18 services, may resume the offset when the party ordered to provide private health care  
536.19 coverage for the joint child has resumed the court-ordered private health care coverage or  
536.20 enrolled the joint child in other private health care coverage. The public authority must  
536.21 provide notice to the parties of the action. If neither party requests a hearing, the public  
536.22 authority must resume the offset effective the first day of the month following certification  
536.23 that private health care coverage is in place for the joint child.

536.24 (d) A party may contest the public authority's action to remove or resume the offset to  
536.25 the child support obligation if the party makes a written request for a hearing within 30 days  
536.26 after receiving written notice. If a party makes a timely request for a hearing, the public  
536.27 authority must schedule a hearing and send written notice of the hearing to the parties by  
536.28 mail to the parties' last known addresses at least 14 days before the hearing. The hearing  
536.29 must be conducted in district court or in the expedited child support process if section  
536.30 484.702 applies. The district court or child support magistrate must determine whether  
536.31 removing or resuming the offset is appropriate and, if appropriate, the effective date for the  
536.32 removal or resumption.



537.1 Subd. 16a. **Suspension or reinstatement of medical support contribution.** (a) If a  
537.2 party is the parent with primary physical custody, as defined in section 518A.26, subdivision  
537.3 17, and is ordered to carry private health care coverage for the joint child but fails to carry  
537.4 the court-ordered private health care coverage, the public authority may suspend the medical  
537.5 support obligation of the other party if that party has been court-ordered to contribute to the  
537.6 cost of the private health care coverage carried by the parent with primary physical custody  
537.7 of the joint child.

537.8 (b) If the public authority provides child support enforcement services, the public  
537.9 authority may suspend the other party's medical support contribution toward private health  
537.10 care coverage when:

537.11 (1) the party's court-ordered private health care coverage for the joint child terminates;

537.12 (2) the party does not enroll the joint child in other private health care coverage; and

537.13 (3) a modification motion is not pending.

537.14 The public authority must provide notice to the parties of the action. If neither party requests  
537.15 a hearing, the public authority must remove the medical support contribution effective the  
537.16 first day of the month following the termination of the joint child's private health care  
537.17 coverage.

537.18 (c) If the public authority provides child support enforcement services, the public authority  
537.19 may reinstate the medical support contribution when the party ordered to provide private  
537.20 health care coverage for the joint child has resumed the joint child's court-ordered private  
537.21 health care coverage or has enrolled the joint child in other private health care coverage.

537.22 The public authority must provide notice to the parties of the action. If neither party requests  
537.23 a hearing, the public authority must resume the medical support contribution effective the  
537.24 first day of the month following certification that the joint child is enrolled in private health  
537.25 care coverage.

537.26 (d) A party may contest the public authority's action to suspend or reinstate the medical  
537.27 support contribution if the party makes a written request for a hearing within 30 days after  
537.28 receiving written notice. If a party makes a timely request for a hearing, the public authority  
537.29 must schedule a hearing and send written notice of the hearing to the parties by mail to the  
537.30 parties' last known addresses at least 14 days before the hearing. The hearing must be  
537.31 conducted in district court or in the expedited child support process if section 484.702  
537.32 applies. The district court or child support magistrate must determine whether suspending  
537.33 or reinstating the medical support contribution is appropriate and, if appropriate, the effective  
537.34 date of the removal or reinstatement of the medical support contribution.

- 538.1 Subd. 17. **Collecting unreimbursed or uninsured ~~medical~~ health-related expenses.** (a)
- 538.2 This subdivision and subdivision 18 apply when a court order has determined and ordered
- 538.3 the parties' proportionate share and responsibility to contribute to unreimbursed or uninsured
- 538.4 ~~medical~~ health-related expenses.
- 538.5 (b) A party requesting reimbursement of unreimbursed or uninsured ~~medical~~
- 538.6 health-related expenses must initiate a request to the other party within two years of the
- 538.7 date that the requesting party incurred the unreimbursed or uninsured ~~medical~~ health-related
- 538.8 expenses. If a court order has been signed ordering the contribution ~~towards~~ toward
- 538.9 unreimbursed or uninsured expenses, a two-year limitations provision must be applied to
- 538.10 any requests made on or after January 1, 2007. The provisions of this section apply
- 538.11 retroactively to court orders signed before January 1, 2007. Requests for unreimbursed or
- 538.12 uninsured expenses made on or after January 1, 2007, may include expenses incurred before
- 538.13 January 1, 2007, and on or after January 1, 2005.
- 538.14 (c) A requesting party must mail a written notice of intent to collect the unreimbursed
- 538.15 or uninsured ~~medical~~ health-related expenses and a copy of an affidavit of health care
- 538.16 expenses to the other party at the other party's last known address.
- 538.17 (d) The written notice must include a statement that the other party has 30 days from
- 538.18 the date the notice was mailed to (1) pay in full; (2) agree to a payment schedule; or (3) file
- 538.19 a motion requesting a hearing to contest the amount due or to set a court-ordered monthly
- 538.20 payment amount. If the public authority provides services, the written notice also must
- 538.21 include a statement that, if the other party does not respond within the 30 days, the requesting
- 538.22 party may submit the amount due to the public authority for collection.
- 538.23 (e) The affidavit of health care expenses must itemize and document the joint child's
- 538.24 unreimbursed or uninsured ~~medical~~ health-related expenses and include copies of all bills,
- 538.25 receipts, and insurance company explanations of benefits.
- 538.26 (f) If the other party does not respond to the request for reimbursement within 30 days,
- 538.27 the requesting party may commence enforcement against the other party under subdivision
- 538.28 18; file a motion for a court-ordered monthly payment amount under paragraph (i); or notify
- 538.29 the public authority, if the public authority provides services, that the other party has not
- 538.30 responded.
- 538.31 (g) The notice to the public authority must include: a copy of the written notice, a copy
- 538.32 of the affidavit of health care expenses, and copies of all bills, receipts, and insurance
- 538.33 company explanations of benefits.

539.1 (h) If noticed under paragraph (f), the public authority must serve the other party with  
539.2 a notice of intent to enforce unreimbursed and uninsured ~~medical~~ health-related expenses  
539.3 and file an affidavit of service by mail with the district court administrator. The notice must  
539.4 state that the other party has 14 days to (1) pay in full; or (2) file a motion to contest the  
539.5 amount due or to set a court-ordered monthly payment amount. The notice must also state  
539.6 that if there is no response within 14 days, the public authority will commence enforcement  
539.7 of the expenses as arrears under subdivision 18.

539.8 (i) To contest the amount due or set a court-ordered monthly payment amount, a party  
539.9 must file a timely motion and schedule a hearing in district court or in the expedited child  
539.10 support process if section 484.702 applies. The moving party must provide the other party  
539.11 and the public authority, if the public authority provides services, with written notice at  
539.12 least 14 days before the hearing by mailing notice of the hearing to the public authority and  
539.13 to the requesting party at the requesting party's last known address. The moving party must  
539.14 file the affidavit of health care expenses with the court at least five days before the hearing.  
539.15 The district court or child support magistrate must determine liability for the expenses and  
539.16 order that the liable party is subject to enforcement of the expenses as arrears under  
539.17 subdivision 18 or set a court-ordered monthly payment amount.

539.18 **Subd. 18. Enforcing unreimbursed or uninsured ~~medical~~ health-related expenses**  
539.19 **as arrears.** (a) Unreimbursed or uninsured ~~medical~~ health-related expenses enforced under  
539.20 this subdivision are collected as arrears.

539.21 (b) If the liable party is the parent with primary physical custody as defined in section  
539.22 518A.26, subdivision 17, the unreimbursed or uninsured ~~medical~~ health-related expenses  
539.23 must be deducted from any arrears the requesting party owes the liable party. If unreimbursed  
539.24 or uninsured expenses remain after the deduction, the expenses must be collected as follows:

539.25 (1) If the requesting party owes a current child support obligation to the liable party, 20  
539.26 percent of each payment received from the requesting party must be returned to the requesting  
539.27 party. The total amount returned to the requesting party each month must not exceed 20  
539.28 percent of the current monthly support obligation.

539.29 (2) If the requesting party does not owe current child support or arrears, a payment  
539.30 agreement under section 518A.69 is required. If the liable party fails to enter into or comply  
539.31 with a payment agreement, the requesting party or the public authority, if the public authority  
539.32 provides services, may schedule a hearing to set a court-ordered payment. The requesting  
539.33 party or the public authority must provide the liable party with written notice of the hearing  
539.34 at least 14 days before the hearing.

540.1 (c) If the liable party is not the parent with primary physical custody as defined in section  
540.2 518A.26, subdivision 17, the unreimbursed or uninsured ~~medical~~ health-related expenses  
540.3 must be deducted from any arrears the requesting party owes the liable party. If unreimbursed  
540.4 or uninsured expenses remain after the deduction, the expenses must be added and collected  
540.5 as arrears owed by the liable party.

540.6 **EFFECTIVE DATE.** This section is effective January 1, 2025.

540.7 Sec. 29. Minnesota Statutes 2022, section 518A.42, subdivision 1, is amended to read:

540.8 Subdivision 1. **Ability to pay.** (a) It is a rebuttable presumption that a child support  
540.9 order should not exceed the obligor's ability to pay. To determine the amount of child support  
540.10 the obligor has the ability to pay, the court shall follow the procedure set out in this section.

540.11 (b) The court shall calculate the obligor's income available for support by subtracting a  
540.12 monthly self-support reserve equal to 120 percent of the federal poverty guidelines for one  
540.13 person from the obligor's parental income for determining child support (PICS). If benefits  
540.14 under section 518A.31 are received by the obligee as a representative payee for a joint child  
540.15 or are received by the child attending school, based on the other parent's eligibility, the court  
540.16 shall subtract the amount of benefits from the obligor's PICS before subtracting the  
540.17 self-support reserve. If the obligor's income available for support calculated under this  
540.18 paragraph is equal to or greater than the obligor's support obligation calculated under section  
540.19 518A.34, the court shall order child support under section 518A.34.

540.20 (c) If the obligor's income available for support calculated under paragraph (b) is more  
540.21 than the minimum support amount under subdivision 2, but less than the guideline amount  
540.22 under section 518A.34, then the court shall apply a reduction to the child support obligation  
540.23 in the following order, until the support order is equal to the obligor's income available for  
540.24 support:

540.25 (1) medical support obligation;

540.26 (2) child care support obligation; and

540.27 (3) basic support obligation.

540.28 (d) If the obligor's income available for support calculated under paragraph (b) is equal  
540.29 to or less than the minimum support amount under subdivision 2 or if the obligor's gross  
540.30 income is less than 120 percent of the federal poverty guidelines for one person, the minimum  
540.31 support amount under subdivision 2 applies.

540.32 **EFFECTIVE DATE.** This section is effective January 1, 2025.

541.1 Sec. 30. Minnesota Statutes 2022, section 518A.42, subdivision 3, is amended to read:

541.2 Subd. 3. **Exception.** (a) This section does not apply to an obligor who is incarcerated  
541.3 or is a recipient of a general assistance grant, Supplemental Security Income, temporary  
541.4 assistance for needy families (TANF) grant, or comparable state-funded Minnesota family  
541.5 investment program (MFIP) benefits.

541.6 (b) If the court finds the obligor receives no income and completely lacks the ability to  
541.7 earn income, the minimum basic support amount under this subdivision does not apply.

541.8 (c) If the obligor's basic support amount is reduced below the minimum basic support  
541.9 amount due to the application of the parenting expense adjustment, the minimum basic  
541.10 support amount under this subdivision does not apply and the lesser amount is the guideline  
541.11 basic support.

541.12 **EFFECTIVE DATE.** This section is effective January 1, 2025.

541.13 Sec. 31. Minnesota Statutes 2022, section 518A.65, is amended to read:

541.14 **518A.65 DRIVER'S LICENSE SUSPENSION.**

541.15 (a) This paragraph is effective July 1, 2023. Upon motion of an obligee, which has been  
541.16 properly served on the obligor and upon which there has been an opportunity for hearing,  
541.17 if a court finds that the obligor has been or may be issued a driver's license by the  
541.18 commissioner of public safety and the obligor is in arrears in court-ordered child support  
541.19 or maintenance payments, or both, in an amount equal to or greater than three times the  
541.20 obligor's total monthly support and maintenance payments and is not in compliance with a  
541.21 written payment agreement pursuant to section 518A.69 that is approved by the court, a  
541.22 child support magistrate, or the public authority, the court ~~shall~~ may order the commissioner  
541.23 of public safety to suspend the obligor's driver's license. The court may consider the  
541.24 circumstances in paragraph (i) to determine whether driver's license suspension is an  
541.25 appropriate remedy that is likely to induce the payment of child support. The court may  
541.26 consider whether driver's license suspension would have a direct harmful effect on the  
541.27 obligor or joint children that would make driver's license suspension an inappropriate remedy.  
541.28 The public authority may not administratively reinstate a driver's license suspended by the  
541.29 court unless specifically authorized in the court order. This paragraph expires December  
541.30 31, 2025.

541.31 (b) This paragraph is effective January 1, 2026. Upon motion of an obligee, which has  
541.32 been properly served on the obligor and upon which there has been an opportunity for  
541.33 hearing, if a court finds that the obligor has a valid driver's license issued by the commissioner

542.1 of public safety and the obligor is in arrears in court-ordered child support or maintenance  
542.2 payments, or both, in an amount equal to or greater than three times the obligor's total  
542.3 monthly support and maintenance payments and is not in compliance with a written payment  
542.4 agreement pursuant to section 518A.69 that is approved by the court, a child support  
542.5 magistrate, or the public authority, the court may order the commissioner of public safety  
542.6 to suspend the obligor's driver's license. The court may consider the circumstances in  
542.7 paragraph (i) to determine whether driver's license suspension is an appropriate remedy that  
542.8 is likely to induce the payment of child support. The court may consider whether driver's  
542.9 license suspension would have a direct harmful effect on the obligor or joint children that  
542.10 would make driver's license suspension an inappropriate remedy. The public authority may  
542.11 not administratively reinstate a driver's license suspended by the court unless specifically  
542.12 authorized in the court order.

542.13 (c) The court's order must be stayed for 90 days in order to allow the obligor to execute  
542.14 a written payment agreement pursuant to section 518A.69. The payment agreement must  
542.15 be approved by either the court or the public authority responsible for child support  
542.16 enforcement. If the obligor has not executed or is not in compliance with a written payment  
542.17 agreement pursuant to section 518A.69 after the 90 days expires, the court's order becomes  
542.18 effective and the commissioner of public safety shall suspend the obligor's driver's license.  
542.19 The remedy under this section is in addition to any other enforcement remedy available to  
542.20 the court. An obligee may not bring a motion under this paragraph within 12 months of a  
542.21 denial of a previous motion under this paragraph.

542.22 ~~(b)~~ (d) This paragraph is effective July 1, 2023. If a public authority responsible for child  
542.23 support enforcement determines that the obligor has been or may be issued a driver's license  
542.24 by the commissioner of public safety ~~and~~; the obligor is in arrears in court-ordered child  
542.25 support or maintenance payments or both in an amount equal to or greater than three times  
542.26 the obligor's total monthly support and maintenance payments and not in compliance with  
542.27 a written payment agreement pursuant to section 518A.69 that is approved by the court, a  
542.28 child support magistrate, or the public authority, the public authority shall direct the  
542.29 commissioner of public safety to suspend the obligor's driver's license unless exercising  
542.30 administrative discretion under paragraph (i). The remedy under this section is in addition  
542.31 to any other enforcement remedy available to the public authority. This paragraph expires  
542.32 December 31, 2025.

542.33 (e) This paragraph is effective January 1, 2026. If a public authority responsible for child  
542.34 support enforcement determines that:

542.35 (1) the obligor has a valid driver's license issued by the commissioner of public safety;

543.1 (2) the obligor is in arrears in court-ordered child support or maintenance payments or  
543.2 both in an amount equal to or greater than three times the obligor's total monthly support  
543.3 and maintenance payments;

543.4 (3) the obligor is not in compliance with a written payment agreement pursuant to section  
543.5 518A.69 that is approved by the court, a child support magistrate, or the public authority;  
543.6 and

543.7 (4) the obligor's mailing address is known to the public authority;

543.8 then the public authority shall direct the commissioner of public safety to suspend the  
543.9 obligor's driver's license unless exercising administrative discretion under paragraph (i).  
543.10 The remedy under this section is in addition to any other enforcement remedy available to  
543.11 the public authority.

543.12 ~~(e)~~ (f) At least 90 days prior to notifying the commissioner of public safety according  
543.13 to paragraph ~~(b)~~ (d), the public authority must mail a written notice to the obligor at the  
543.14 obligor's last known address, that it intends to seek suspension of the obligor's driver's  
543.15 license and that the obligor must request a hearing within 30 days in order to contest the  
543.16 suspension. If the obligor makes a written request for a hearing within 30 days of the date  
543.17 of the notice, a court hearing must be held. Notwithstanding any law to the contrary, the  
543.18 obligor must be served with 14 days' notice in writing specifying the time and place of the  
543.19 hearing and the allegations against the obligor. The notice must include information that  
543.20 apprises the obligor of the requirement to develop a written payment agreement that is  
543.21 approved by a court, a child support magistrate, or the public authority responsible for child  
543.22 support enforcement regarding child support, maintenance, and any arrearages in order to  
543.23 avoid license suspension. The notice may be served personally or by mail. If the public  
543.24 authority does not receive a request for a hearing within 30 days of the date of the notice,  
543.25 and the obligor does not execute a written payment agreement pursuant to section 518A.69  
543.26 that is approved by the public authority within 90 days of the date of the notice, the public  
543.27 authority shall direct the commissioner of public safety to suspend the obligor's driver's  
543.28 license under paragraph ~~(b)~~ (d).

543.29 ~~(d)~~ (g) At a hearing requested by the obligor under paragraph ~~(e)~~ (f), and on finding that  
543.30 the obligor is in arrears in court-ordered child support or maintenance payments or both in  
543.31 an amount equal to or greater than three times the obligor's total monthly support and  
543.32 maintenance payments, the district court or child support magistrate shall order the  
543.33 commissioner of public safety to suspend the obligor's driver's license or operating privileges  
543.34 unless:

544.1 (1) the court or child support magistrate determines that the obligor has executed and is  
544.2 in compliance with a written payment agreement pursuant to section 518A.69 that is approved  
544.3 by the court, a child support magistrate, or the public authority; or

544.4 (2) the court, in its discretion, determines that driver's license suspension is unlikely to  
544.5 induce payment of child support or would have direct harmful effects on the obligor or joint  
544.6 child that makes driver's license suspension an inappropriate remedy. The court may consider  
544.7 the circumstances in paragraph (i) in exercising the court's discretion.

544.8 ~~(e)~~ (h) An obligor whose driver's license or operating privileges are suspended may:

544.9 (1) provide proof to the public authority responsible for child support enforcement that  
544.10 the obligor is in compliance with all written payment agreements pursuant to section 518A.69;

544.11 (2) bring a motion for reinstatement of the driver's license. At the hearing, if the court  
544.12 or child support magistrate orders reinstatement of the driver's license, the court or child  
544.13 support magistrate must establish a written payment agreement pursuant to section 518A.69;  
544.14 or

544.15 (3) seek a limited license under section 171.30. A limited license issued to an obligor  
544.16 under section 171.30 expires 90 days after the date it is issued.

544.17 Within 15 days of the receipt of that proof or a court order, the public authority shall  
544.18 inform the commissioner of public safety that the obligor's driver's license or operating  
544.19 privileges should no longer be suspended.

544.20 (i) Prior to notifying the commissioner of public safety that an obligor's driver's license  
544.21 should be suspended or after an obligor's driving privileges have been suspended, the public  
544.22 authority responsible for child support enforcement may use administrative authority to end  
544.23 the suspension process or inform the commissioner of public safety that the obligor's driving  
544.24 privileges should no longer be suspended under any of the following circumstances:

544.25 (1) the full amount of court-ordered payments have been received for at least one month;

544.26 (2) an income withholding notice has been sent to an employer or payor of money;

544.27 (3) payments less than the full court-ordered amount have been received and the  
544.28 circumstances of the obligor demonstrate the obligor's substantial intent to comply with the  
544.29 order;

544.30 (4) the obligor receives public assistance;



545.1 (5) the case is being reviewed by the public authority for downward modification due  
545.2 to changes in the obligor's financial circumstances or a party has filed a motion to modify  
545.3 the child support order;

545.4 (6) the obligor no longer lives in the state and the child support case is in the process of  
545.5 interstate enforcement;

545.6 (7) the obligor is currently incarcerated for one week or more or is receiving in-patient  
545.7 treatment for physical health, mental health, chemical dependency, or other treatment. This  
545.8 clause applies for six months after the obligor is no longer incarcerated or receiving in-patient  
545.9 treatment;

545.10 (8) the obligor is temporarily or permanently disabled and unable to pay child support;

545.11 (9) the obligor has presented evidence to the public authority that the obligor needs  
545.12 driving privileges to maintain or obtain the obligor's employment;

545.13 (10) the obligor has not had a meaningful opportunity to pay toward arrears; and

545.14 (11) other circumstances of the obligor indicate that a temporary condition exists for  
545.15 which suspension of a driver's license for the nonpayment of child support is not appropriate.  
545.16 When considering whether driver's license suspension is appropriate, the public authority  
545.17 must assess: (i) whether suspension of the driver's license is likely to induce payment of  
545.18 child support; and (ii) whether suspension of the driver's license would have direct harmful  
545.19 effects on the obligor or joint children that make driver's license suspension an inappropriate  
545.20 remedy.

545.21 The presence of circumstances in this paragraph does not prevent the public authority from  
545.22 proceeding with a suspension of a driver's license.

545.23 ~~(f)~~ (j) In addition to the criteria established under this section for the suspension of an  
545.24 obligor's driver's license, a court, a child support magistrate, or the public authority may  
545.25 direct the commissioner of public safety to suspend the license of a party who has failed,  
545.26 after receiving notice, to comply with a subpoena relating to a paternity or child support  
545.27 proceeding. Notice to an obligor of intent to suspend must be served by first class mail at  
545.28 the obligor's last known address. The notice must inform the obligor of the right to request  
545.29 a hearing. If the obligor makes a written request within ten days of the date of the hearing,  
545.30 a hearing must be held. At the hearing, the only issues to be considered are mistake of fact  
545.31 and whether the obligor received the subpoena.

545.32 ~~(g)~~ (k) The license of an obligor who fails to remain in compliance with an approved  
545.33 written payment agreement may be suspended. Prior to suspending a license for

546.1 noncompliance with an approved written payment agreement, the public authority must  
546.2 mail to the obligor's last known address a written notice that (1) the public authority intends  
546.3 to seek suspension of the obligor's driver's license under this paragraph, and (2) the obligor  
546.4 must request a hearing, within 30 days of the date of the notice, to contest the suspension.  
546.5 If, within 30 days of the date of the notice, the public authority does not receive a written  
546.6 request for a hearing and the obligor does not comply with an approved written payment  
546.7 agreement, the public authority must direct the Department of Public Safety to suspend the  
546.8 obligor's license under paragraph ~~(b)~~ (d). If the obligor makes a written request for a hearing  
546.9 within 30 days of the date of the notice, a court hearing must be held. Notwithstanding any  
546.10 law to the contrary, the obligor must be served with 14 days' notice in writing specifying  
546.11 the time and place of the hearing and the allegations against the obligor. The notice may be  
546.12 served personally or by mail at the obligor's last known address. If the obligor appears at  
546.13 the hearing and the court determines that the obligor has failed to comply with an approved  
546.14 written payment agreement, the court or public authority shall notify the Department of  
546.15 Public Safety to suspend the obligor's license under paragraph ~~(b)~~ (d). If the obligor fails  
546.16 to appear at the hearing, the court or public authority must notify the Department of Public  
546.17 Safety to suspend the obligor's license under paragraph ~~(b)~~ (d).

546.18 **EFFECTIVE DATE.** This section is effective July 1, 2023, unless otherwise specified.

546.19 Sec. 32. Minnesota Statutes 2022, section 518A.77, is amended to read:

546.20 **518A.77 GUIDELINES REVIEW.**

546.21 ~~(a)~~ No later than 2006 and every four years after that, the Department of Human Services  
546.22 must conduct a review of the child support guidelines as required under Code of Federal  
546.23 Regulations, title 45, section 302.56(h).

546.24 ~~(b) This section expires January 1, 2032.~~

546.25 **ARTICLE 16**

546.26 **MISCELLANEOUS**

546.27 Section 1. Minnesota Statutes 2022, section 256.01, is amended by adding a subdivision  
546.28 to read:

546.29 **Subd. 43. Grant program reporting.** The commissioner must submit a report to the  
546.30 chairs and ranking minority members of the legislative committees with jurisdiction over  
546.31 human services by December 31, 2023, and by each December 31 thereafter on the following  
546.32 information:

547.1 (1) the number of grant programs administered by the commissioner that required a  
547.2 full-time equivalent staff appropriation or administrative appropriation in order to implement;

547.3 (2) the total amount of funds appropriated to the commissioner for full-time equivalent  
547.4 staff or administration for all the grant programs; and

547.5 (3) for each grant program administered by the commissioner:

547.6 (i) the amount of funds appropriated to the commissioner for full-time equivalent staff  
547.7 or administration to administer that particular grant program;

547.8 (ii) the actual amount of funds that were spent on full-time equivalent staff or  
547.9 administration to administer that particular grant program; and

547.10 (iii) if there were funds appropriated that were not spent on full-time equivalent staff or  
547.11 administration to administer that particular grant program, what the funds were actually  
547.12 spent on.

547.13 **Sec. 2. DIRECTION TO COMMISSIONER; IMPROVING THE MINNESOTA**  
547.14 **ELIGIBILITY TECHNOLOGY SYSTEM (METS).**

547.15 (a) The commissioner of human services must allocate funding in this section to complete  
547.16 the 24 priorities for METS core functionality that were initially compiled in 2018, and to  
547.17 complete any project that was put on hold during the federal public health emergency for  
547.18 COVID-19.

547.19 (b) The commissioner must implement changes to METS that permit an eligibility worker  
547.20 to record receipt of an eligibility renewal form for medical assistance or MinnesotaCare  
547.21 and to pause the automatic case closure functionality of METS until the eligibility renewal  
547.22 form is completed.

547.23 (c) The commissioner must implement changes to METS that allow a closed medical  
547.24 assistance or MinnesotaCare case to be reopened administratively.

547.25 (d) The commissioner must implement changes to METS that support processing medical  
547.26 assistance renewals during the federally required four-month reconsideration period.

547.27 (e) The commissioner must provide additional staffing and execute a contract to respond  
547.28 to the recommendations in the 2021 Department of Human Services Gartner Go Forward  
547.29 strategy report.

547.30 (f) The commissioner must identify and implement additional changes to METS that  
547.31 mitigate the most severe sources of manual processes needed to address the core functionality  
547.32 limitations of METS.

548.1 **Sec. 3. DIRECTION TO COMMISSIONER; MODERNIZING THE MEDICAID**  
548.2 **MANAGEMENT INFORMATION SYSTEM (MMIS).**

548.3 (a) The commissioner of human services must refine the web-based Medicaid provider  
548.4 enrollment application and automate the provider screening process and reporting  
548.5 functionality. The commissioner must develop a provider directory that meets some of the  
548.6 requirements of the Centers for Medicare and Medicaid Services interoperability rule.

548.7 (b) The commissioner must execute a contract to process outpatient pharmacy claims  
548.8 and manage the outpatient fee-for-service medical assistance benefit.

548.9 (c) The commissioner must execute a contract for consultation services to analyze the  
548.10 MMIS infrastructure and functionality and provide advice on the technical and planning  
548.11 gaps that must be addressed in a modernized MMIS. The commissioner must use the analysis  
548.12 to establish a strategic plan for the configuration, requirements, and trajectory of the  
548.13 modernized MMIS and for mapping a modernized claims system functionality and integration  
548.14 with other MMIS subsystems.

548.15 (d) The commissioner must develop a MMIS third-party liability subsystem that includes  
548.16 a case management system with enhanced claims search functions, financial adjustment  
548.17 and tracking functionality, and a connection to the electronic document management system.

548.18 (e) The commissioner must contract for services to leverage, sequence, and integrate  
548.19 the products that will constitute the modernized MMIS so that all components of the  
548.20 modernized MMIS interface with one another, exchange and make available needed data,  
548.21 and ensure smooth implementation.

548.22 **Sec. 4. OUTCOMES AND EVALUATION CONSULTATION REQUIREMENTS.**

548.23 For any section in this act that includes program outcomes, evaluation metrics or  
548.24 requirements, progress indicators, or other related measurements, any commissioner must  
548.25 consult with the commissioner of management and budget to develop outcomes, metrics or  
548.26 requirements, indicators, or other related measurements for each section in this act affected  
548.27 by this section. The commissioner must only implement program outcomes, evaluation  
548.28 metrics or requirements, progress indicators, or other related measurements that are  
548.29 determined through and agreed upon during the consultation with the commissioner of  
548.30 management and budget. The commissioner shall not implement any sections affected by  
548.31 this section until the consultation with the commissioner of management and budget is  
548.32 completed. The commissioner must incorporate agreed-upon program outcomes, evaluation

549.1 metrics, and progress indicators into grant applications, requests for proposals, and any  
549.2 reports to the legislature.

## 549.3 **ARTICLE 17**

### 549.4 **HEALTH CARE AFFORDABILITY AND DELIVERY**

#### 549.5 Section 1. **[62J.86] DEFINITIONS.**

549.6 Subdivision 1. **Definitions.** For the purposes of sections 62J.86 to 62J.92, the following  
549.7 terms have the meanings given.

549.8 Subd. 2. **Advisory council.** "Advisory council" means the Health Care Affordability  
549.9 Advisory Council established under section 62J.88.

549.10 Subd. 3. **Board.** "Board" means the Health Care Affordability Board established under  
549.11 section 62J.87.

#### 549.12 Sec. 2. **[62J.87] HEALTH CARE AFFORDABILITY BOARD.**

549.13 Subdivision 1. **Establishment.** The Legislative Coordinating Commission shall establish  
549.14 the Health Care Affordability Board, which shall be governed as a board under section  
549.15 15.012, paragraph (a), to protect consumers, state and local governments, health plan  
549.16 companies, providers, and other health care system stakeholders from unaffordable health  
549.17 care costs. The board must be operational by January 1, 2024.

549.18 Subd. 2. **Membership.** (a) The Health Care Affordability Board consists of 13 members,  
549.19 appointed as follows:

549.20 (1) five members appointed by the governor;

549.21 (2) two members appointed by the majority leader of the senate;

549.22 (3) two members appointed by the minority leader of the senate;

549.23 (4) two members appointed by the speaker of the house; and

549.24 (5) two members appointed by the minority leader of the house of representatives.

549.25 (b) All appointed members must have knowledge and demonstrated expertise in one or  
549.26 more of the following areas: health care finance, health economics, health care management  
549.27 or administration at a senior level, health care consumer advocacy, representing the health  
549.28 care workforce as a leader in a labor organization, purchasing health care insurance as a  
549.29 health benefits administrator, delivery of primary care, health plan company administration,  
549.30 public or population health, and addressing health disparities and structural inequities.

550.1 (c) A member may not participate in board proceedings involving an organization,  
550.2 activity, or transaction in which the member has either a direct or indirect financial interest,  
550.3 other than as an individual consumer of health services.

550.4 (d) The Legislative Coordinating Commission shall coordinate appointments under this  
550.5 subdivision to ensure that board members are appointed by August 1, 2023, and that board  
550.6 members as a whole meet all of the criteria related to the knowledge and expertise specified  
550.7 in paragraph (b).

550.8 Subd. 3. **Terms.** (a) Board appointees shall serve four-year terms. A board member shall  
550.9 not serve more than three consecutive terms.

550.10 (b) A board member may resign at any time by giving written notice to the board.

550.11 Subd. 4. **Chair; other officers.** (a) The governor shall designate an acting chair from  
550.12 the members appointed by the governor.

550.13 (b) The board shall elect a chair to replace the acting chair at the first meeting of the  
550.14 board by a majority of the members. The chair shall serve for two years.

550.15 (c) The board shall elect a vice-chair and other officers from its membership as it deems  
550.16 necessary.

550.17 Subd. 5. **Staff; technical assistance; contracting.** (a) The board shall hire a full-time  
550.18 executive director and other staff, who shall serve in the unclassified service. The executive  
550.19 director must have significant knowledge and expertise in health economics and demonstrated  
550.20 experience in health policy.

550.21 (b) The attorney general shall provide legal services to the board.

550.22 (c) The Health Economics Division within the Department of Health shall provide  
550.23 technical assistance to the board in analyzing health care trends and costs and in setting  
550.24 health care spending growth targets.

550.25 (d) The board may employ or contract for professional and technical assistance, including  
550.26 actuarial assistance, as the board deems necessary to perform the board's duties.

550.27 Subd. 6. **Access to information.** (a) The board may request that a state agency provide  
550.28 the board with any publicly available information in a usable format as requested by the  
550.29 board, at no cost to the board.

550.30 (b) The board may request from a state agency unique or custom data sets, and the agency  
550.31 may charge the board for providing the data at the same rate the agency would charge any  
550.32 other public or private entity.

551.1 (c) Any information provided to the board by a state agency must be de-identified. For  
551.2 purposes of this subdivision, "de-identification" means the process used to prevent the  
551.3 identity of a person or business from being connected with the information and ensuring  
551.4 all identifiable information has been removed.

551.5 (d) Any data submitted to the board shall retain its original classification under the  
551.6 Minnesota Data Practices Act in chapter 13.

551.7 Subd. 7. **Compensation.** Board members shall not receive compensation but may receive  
551.8 reimbursement for expenses as authorized under section 15.059, subdivision 3.

551.9 Subd. 8. **Meetings.** (a) Meetings of the board are subject to chapter 13D. The board shall  
551.10 meet publicly at least quarterly. The board may meet in closed session when reviewing  
551.11 proprietary information as specified in section 62J.71, subdivision 4.

551.12 (b) The board shall announce each public meeting at least two weeks prior to the  
551.13 scheduled date of the meeting. Any materials for the meeting shall be made public at least  
551.14 one week prior to the scheduled date of the meeting.

551.15 (c) At each public meeting, the board shall provide the opportunity for comments from  
551.16 the public, including the opportunity for written comments to be submitted to the board  
551.17 prior to a decision by the board.

551.18 Sec. 3. **[62J.88] HEALTH CARE AFFORDABILITY ADVISORY COUNCIL.**

551.19 Subdivision 1. **Establishment.** The governor shall appoint a Health Care Affordability  
551.20 Advisory Council to provide advice to the board on health care costs and access issues and  
551.21 to represent the views of patients and other stakeholders. Members of the advisory council  
551.22 shall be appointed based on their knowledge and demonstrated expertise in one or more of  
551.23 the following areas: health care delivery, ensuring health care access for diverse populations,  
551.24 public and population health, patient perspectives, health care cost trends and drivers, clinical  
551.25 and health services research, innovation in health care delivery, and health care benefits  
551.26 management.

551.27 Subd. 2. **Duties; reports.** (a) The council shall provide technical recommendations to  
551.28 the board on:

551.29 (1) the identification of economic indicators and other metrics related to the development  
551.30 and setting of health care spending growth targets;

551.31 (2) data sources for measuring health care spending; and

552.1 (3) measurement of the impact of health care spending growth targets on diverse  
552.2 communities and populations, including but not limited to those communities and populations  
552.3 adversely affected by health disparities.

552.4 (b) The council shall report technical recommendations and a summary of its activities  
552.5 to the board at least annually, and shall submit additional reports on its activities and  
552.6 recommendations to the board, as requested by the board or at the discretion of the council.

552.7 Subd. 3. **Terms.** (a) The initial appointed advisory council members shall serve staggered  
552.8 terms of two, three, or four years determined by lot by the secretary of state. Following the  
552.9 initial appointments, advisory council members shall serve four-year terms.

552.10 (b) Removal and vacancies of advisory council members shall be governed by section  
552.11 15.059.

552.12 Subd. 4. **Compensation.** Advisory council members may be compensated according to  
552.13 section 15.059.

552.14 Subd. 5. **Meetings.** The advisory council shall meet at least quarterly. Meetings of the  
552.15 advisory council are subject to chapter 13D.

552.16 Subd. 6. **Exemption.** Notwithstanding section 15.059, the advisory council shall not  
552.17 expire.

552.18 Sec. 4. **[62J.89] DUTIES OF THE BOARD.**

552.19 Subdivision 1. **General.** (a) The board shall monitor the administration and reform of  
552.20 the health care delivery and payment systems in the state. The board shall:

552.21 (1) set health care spending growth targets for the state, as specified under section 62J.90;

552.22 (2) enhance the transparency of provider organizations;

552.23 (3) monitor the adoption and effectiveness of alternative payment methodologies;

552.24 (4) foster innovative health care delivery and payment models that lower health care  
552.25 cost growth while improving the quality of patient care;

552.26 (5) monitor and review the impact of changes within the health care marketplace; and

552.27 (6) monitor patient access to necessary health care services.

552.28 (b) The board shall establish goals to reduce health care disparities in racial and ethnic  
552.29 communities and to ensure access to quality care for persons with disabilities or with chronic  
552.30 or complex health conditions.



553.1 Subd. 2. **Market trends.** The board shall monitor efforts to reform the health care  
553.2 delivery and payment system in Minnesota to understand emerging trends in the commercial  
553.3 health insurance market, including large self-insured employers and the state's public health  
553.4 care programs, in order to identify opportunities for state action to achieve:

553.5 (1) improved patient experience of care, including quality and satisfaction;

553.6 (2) improved health of all populations, including a reduction in health disparities; and

553.7 (3) a reduction in the growth of health care costs.

553.8 Subd. 3. **Recommendations for reform.** The board shall make recommendations for  
553.9 legislative policy, market, or any other reforms to:

553.10 (1) lower the rate of growth in commercial health care costs and public health care  
553.11 program spending in the state;

553.12 (2) positively impact the state's rankings in the areas listed in this subdivision and  
553.13 subdivision 2; and

553.14 (3) improve the quality and value of care for all Minnesotans, and for specific populations  
553.15 adversely affected by health inequities.

553.16 Subd. 4. **Office of Patient Protection.** The board shall establish an Office of Patient  
553.17 Protection, to be operational by January 1, 2025. The office shall assist consumers with  
553.18 issues related to access and quality of health care, and advise the legislature on ways to  
553.19 reduce consumer health care spending and improve consumer experiences by reducing  
553.20 complexity for consumers.

553.21 Sec. 5. **[62J.90] HEALTH CARE SPENDING GROWTH TARGETS.**

553.22 Subdivision 1. **Establishment and administration.** The board shall establish and  
553.23 administer the health care spending growth target program to limit health care spending  
553.24 growth in the state, and shall report regularly to the legislature and the public on progress  
553.25 toward these targets.

553.26 Subd. 2. **Methodology.** (a) The board shall develop a methodology to establish annual  
553.27 health care spending growth targets and the economic indicators to be used in establishing  
553.28 the initial and subsequent target levels.

553.29 (b) The health care spending growth target must:

553.30 (1) use a clear and operational definition of total state health care spending;

- 554.1 (2) promote a predictable and sustainable rate of growth for total health care spending  
554.2 as measured by an established economic indicator, such as the rate of increase of the state's  
554.3 economy or of the personal income of residents of this state, or a combination;
- 554.4 (3) define the health care markets and the entities to which the targets apply;
- 554.5 (4) take into consideration the potential for variability in targets across public and private  
554.6 payers;
- 554.7 (5) account for the health status of patients; and
- 554.8 (6) incorporate specific benchmarks related to health equity.
- 554.9 (c) In developing, implementing, and evaluating the growth target program, the board  
554.10 shall:
- 554.11 (1) consider the incorporation of quality of care and primary care spending goals;
- 554.12 (2) ensure that the program does not place a disproportionate burden on communities  
554.13 most impacted by health disparities, the providers who primarily serve communities most  
554.14 impacted by health disparities, or individuals who reside in rural areas or have high health  
554.15 care needs;
- 554.16 (3) explicitly consider payment models that help ensure financial sustainability of rural  
554.17 health care delivery systems and the ability to provide population health;
- 554.18 (4) allow setting growth targets that encourage an individual health care entity to serve  
554.19 populations with greater health care risks by incorporating:
- 554.20 (i) a risk factor adjustment reflecting the health status of the entity's patient mix; and
- 554.21 (ii) an equity adjustment accounting for the social determinants of health and other  
554.22 factors related to health equity for the entity's patient mix;
- 554.23 (5) ensure that growth targets:
- 554.24 (i) do not constrain the Minnesota health care workforce, including the need to provide  
554.25 competitive wages and benefits;
- 554.26 (ii) do not limit the use of collective bargaining or place a floor or ceiling on health care  
554.27 workforce compensation; and
- 554.28 (iii) promote workforce stability and maintain high-quality health care jobs; and
- 554.29 (6) consult with the advisory council and other stakeholders.

555.1 Subd. 3. **Data.** The board shall identify data to be used for tracking performance in  
555.2 meeting the growth target and identify methods of data collection necessary for efficient  
555.3 implementation by the board. In identifying data and methods, the board shall:

555.4 (1) consider the availability, timeliness, quality, and usefulness of existing data, including  
555.5 the data collected under section 62U.04;

555.6 (2) assess the need for additional investments in data collection, data validation, or data  
555.7 analysis capacity to support the board in performing its duties; and

555.8 (3) minimize the reporting burden to the extent possible.

555.9 Subd. 4. **Setting growth targets; related duties.** (a) The board, by June 15, 2024, and  
555.10 by June 15 of each succeeding calendar year through June 15, 2028, shall establish annual  
555.11 health care spending growth targets for the next calendar year consistent with the  
555.12 requirements of this section. The board shall set annual health care spending growth targets  
555.13 for the five-year period from January 1, 2025, through December 31, 2029.

555.14 (b) The board shall periodically review all components of the health care spending  
555.15 growth target program methodology, economic indicators, and other factors. The board may  
555.16 revise the annual spending growth targets after a public hearing, as appropriate. If the board  
555.17 revises a spending growth target, the board must provide public notice at least 60 days  
555.18 before the start of the calendar year to which the revised growth target will apply.

555.19 (c) The board, based on an analysis of drivers of health care spending and evidence from  
555.20 public testimony, shall evaluate strategies and new policies, including the establishment of  
555.21 accountability mechanisms, that are able to contribute to meeting growth targets and limiting  
555.22 health care spending growth without increasing disparities in access to health care.

555.23 Subd. 5. **Hearings.** At least annually, the board shall hold public hearings to present  
555.24 findings from spending growth target monitoring. The board shall also regularly hold public  
555.25 hearings to take testimony from stakeholders on health care spending growth, setting and  
555.26 revising health care spending growth targets, the impact of spending growth and growth  
555.27 targets on health care access and quality, and as needed to perform the duties assigned under  
555.28 section 62J.89, subdivisions 1, 2, and 3.

555.29 Sec. 6. **[62J.91] NOTICE TO HEALTH CARE ENTITIES.**

555.30 Subdivision 1. **Notice.** (a) The board shall provide notice to all health care entities that  
555.31 have been identified by the board as exceeding the spending growth target for any given  
555.32 year.

556.1 (b) For purposes of this section, "health care entity" shall be defined by the board during  
556.2 the development of the health care spending growth methodology. When developing this  
556.3 methodology, the board shall consider a definition of health care entity that includes clinics,  
556.4 hospitals, ambulatory surgical centers, physician organizations, accountable care  
556.5 organizations, integrated provider and plan systems, and other entities defined by the board,  
556.6 provided that physician organizations with a patient panel of 15,000 or fewer, or which  
556.7 represent providers who collectively receive less than \$25,000,000 in annual net patient  
556.8 service revenue from health plan companies and other payers, shall be exempt.

556.9 Subd. 2. **Performance improvement plans.** (a) The board shall establish and implement  
556.10 procedures to assist health care entities to improve efficiency and reduce cost growth by  
556.11 requiring some or all health care entities provided notice under subdivision 1 to file and  
556.12 implement a performance improvement plan. The board shall provide written notice of this  
556.13 requirement to health care entities.

556.14 (b) Within 45 days of receiving a notice of the requirement to file a performance  
556.15 improvement plan, a health care entity shall:

556.16 (1) file a performance improvement plan with the board; or

556.17 (2) file an application with the board to waive the requirement to file a performance  
556.18 improvement plan or extend the timeline for filing a performance improvement plan.

556.19 (c) The health care entity may file any documentation or supporting evidence with the  
556.20 board to support the health care entity's application to waive or extend the timeline to file  
556.21 a performance improvement plan. The board shall require the health care entity to submit  
556.22 any other relevant information it deems necessary in considering the waiver or extension  
556.23 application, provided that this information shall be made public at the discretion of the  
556.24 board. The board may waive or delay the requirement for a health care entity to file a  
556.25 performance improvement plan in response to a waiver or extension request in light of all  
556.26 information received from the health care entity, based on a consideration of the following  
556.27 factors:

556.28 (1) the costs, price, and utilization trends of the health care entity over time, and any  
556.29 demonstrated improvement in reducing per capita medical expenses adjusted by health  
556.30 status;

556.31 (2) any ongoing strategies or investments that the health care entity is implementing to  
556.32 improve future long-term efficiency and reduce cost growth;

557.1 (3) whether the factors that led to increased costs for the health care entity can reasonably  
557.2 be considered to be unanticipated and outside of the control of the entity. These factors may  
557.3 include but shall not be limited to age and other health status adjusted factors and other cost  
557.4 inputs such as pharmaceutical expenses and medical device expenses;

557.5 (4) the overall financial condition of the health care entity; and

557.6 (5) any other factors the board considers relevant. If the board declines to waive or  
557.7 extend the requirement for the health care entity to file a performance improvement plan,  
557.8 the board shall provide written notice to the health care entity that its application for a waiver  
557.9 or extension was denied and the health care entity shall file a performance improvement  
557.10 plan.

557.11 (d) A health care entity shall file a performance improvement plan with the board:

557.12 (1) within 45 days of receipt of an initial notice;

557.13 (2) if the health care entity has requested a waiver or extension, within 45 days of receipt  
557.14 of a notice that such waiver or extension has been denied; or

557.15 (3) if the health care entity is granted an extension, on the date given on the extension.

557.16 The performance improvement plan shall identify the causes of the entity's cost growth and  
557.17 shall include but not be limited to specific strategies, adjustments, and action steps the entity  
557.18 proposes to implement to improve cost performance. The proposed performance improvement  
557.19 plan shall include specific identifiable and measurable expected outcomes and a timetable  
557.20 for implementation. The timetable for a performance improvement plan must not exceed  
557.21 18 months.

557.22 (e) The board shall approve any performance improvement plan that it determines is  
557.23 reasonably likely to address the underlying cause of the entity's cost growth and has a  
557.24 reasonable expectation for successful implementation. If the board determines that the  
557.25 performance improvement plan is unacceptable or incomplete, the board may provide  
557.26 consultation on the criteria that have not been met and may allow an additional time period  
557.27 of up to 30 calendar days for resubmission. Upon approval of the proposed performance  
557.28 improvement plan, the board shall notify the health care entity to begin immediate  
557.29 implementation of the performance improvement plan. Public notice shall be provided by  
557.30 the board on its website, identifying that the health care entity is implementing a performance  
557.31 improvement plan. All health care entities implementing an approved performance  
557.32 improvement plan shall be subject to additional reporting requirements and compliance

558.1 monitoring, as determined by the board. The board shall provide assistance to the health  
558.2 care entity in the successful implementation of the performance improvement plan.

558.3 (f) All health care entities shall in good faith work to implement the performance  
558.4 improvement plan. At any point during the implementation of the performance improvement  
558.5 plan, the health care entity may file amendments to the performance improvement plan,  
558.6 subject to approval of the board. At the conclusion of the timetable established in the  
558.7 performance improvement plan, the health care entity shall report to the board regarding  
558.8 the outcome of the performance improvement plan. If the board determines the performance  
558.9 improvement plan was not implemented successfully, the board shall:

558.10 (1) extend the implementation timetable of the existing performance improvement plan;

558.11 (2) approve amendments to the performance improvement plan as proposed by the health  
558.12 care entity;

558.13 (3) require the health care entity to submit a new performance improvement plan; or

558.14 (4) waive or delay the requirement to file any additional performance improvement  
558.15 plans.

558.16 Upon the successful completion of the performance improvement plan, the board shall  
558.17 remove the identity of the health care entity from the board's website. The board may assist  
558.18 health care entities with implementing the performance improvement plans or otherwise  
558.19 ensure compliance with this subdivision.

558.20 (g) If the board determines that a health care entity has:

558.21 (1) willfully neglected to file a performance improvement plan with the board within  
558.22 45 days as required;

558.23 (2) failed to file an acceptable performance improvement plan in good faith with the  
558.24 board;

558.25 (3) failed to implement the performance improvement plan in good faith; or

558.26 (4) knowingly failed to provide information required by this subdivision to the board or  
558.27 knowingly provided false information, the board may assess a civil penalty to the health  
558.28 care entity of not more than \$500,000. The board may only impose a civil penalty if the  
558.29 board determines that the health care entity is unlikely to voluntarily comply with all  
558.30 applicable provisions of this subdivision.

559.1 Sec. 7. **[62J.92] REPORTING REQUIREMENTS.**

559.2 **Subdivision 1. General requirement.** (a) The board shall present the reports required  
559.3 by this section to the chairs and ranking members of the legislative committees with primary  
559.4 jurisdiction over health care finance and policy. The board shall also make these reports  
559.5 available to the public on the board's website.

559.6 (b) The board may contract with a third-party vendor for technical assistance in preparing  
559.7 the reports.

559.8 **Subd. 2. Progress reports.** The board shall submit written progress updates about the  
559.9 development and implementation of the health care spending growth target program by  
559.10 February 15, 2025, and February 15, 2026. The updates must include reporting on board  
559.11 membership and activities, program design decisions, planned timelines for implementation  
559.12 of the program, and the progress of implementation. The reports must include the  
559.13 methodological details underlying program design decisions.

559.14 **Subd. 3. Health care spending trends.** By December 15, 2025, and every December  
559.15 15 thereafter, the board shall submit a report on health care spending trends and the health  
559.16 care spending growth target program that includes:

559.17 (1) spending growth in aggregate and for entities subject to health care spending growth  
559.18 targets relative to established target levels;

559.19 (2) findings from analyses of drivers of health care spending growth;

559.20 (3) estimates of the impact of health care spending growth on Minnesota residents,  
559.21 including for communities most impacted by health disparities, related to their access to  
559.22 insurance and care, value of health care, and the ability to pursue other spending priorities;

559.23 (4) the potential and observed impact of the health care growth targets on the financial  
559.24 viability of the rural delivery system;

559.25 (5) changes under consideration for revising the methodology to monitor or set growth  
559.26 targets;

559.27 (6) recommendations for initiatives to assist health care entities in meeting health care  
559.28 spending growth targets, including broader and more transparent adoption of value-based  
559.29 payment arrangements; and

559.30 (7) the number of health care entities whose spending growth exceeded growth targets,  
559.31 information on performance improvement plans and the extent to which the plans were

560.1 completed, and any civil penalties imposed on health care entities related to noncompliance  
560.2 with performance improvement plans and related requirements.

560.3 Sec. 8. Minnesota Statutes 2022, section 62K.15, is amended to read:

560.4 **62K.15 ANNUAL OPEN ENROLLMENT PERIODS; SPECIAL ENROLLMENT**  
560.5 **PERIODS.**

560.6 (a) Health carriers offering individual health plans must limit annual enrollment in the  
560.7 individual market to the annual open enrollment periods for MNsure. Nothing in this section  
560.8 limits the application of special or limited open enrollment periods as defined under the  
560.9 Affordable Care Act.

560.10 (b) Health carriers offering individual health plans must inform all applicants at the time  
560.11 of application and enrollees at least annually of the open and special enrollment periods as  
560.12 defined under the Affordable Care Act.

560.13 (c) Health carriers offering individual health plans must provide a special enrollment  
560.14 period for enrollment in the individual market by employees of a small employer that offers  
560.15 a qualified small employer health reimbursement arrangement in accordance with United  
560.16 States Code, title 26, section 9831(d). The special enrollment period shall be available only  
560.17 to employees newly hired by a small employer offering a qualified small employer health  
560.18 reimbursement arrangement, and to employees employed by the small employer at the time  
560.19 the small employer initially offers a qualified small employer health reimbursement  
560.20 arrangement. For employees newly hired by the small employer, the special enrollment  
560.21 period shall last for 30 days after the employee's first day of employment. For employees  
560.22 employed by the small employer at the time the small employer initially offers a qualified  
560.23 small employer health reimbursement arrangement, the special enrollment period shall last  
560.24 for 30 days after the date the arrangement is initially offered to employees.

560.25 (d) The commissioner of commerce shall enforce this section.

560.26 (e) Health carriers offering individual health plans through MNsure must provide a  
560.27 special enrollment period as required under the easy enrollment health insurance outreach  
560.28 program under section 62V.13.

560.29 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
560.30 31, 2023, and applies to health plans offered, issued, or sold on or after January 1, 2024.



561.1 Sec. 9. Minnesota Statutes 2022, section 62U.04, subdivision 11, is amended to read:

561.2 Subd. 11. **Restricted uses of the all-payer claims data.** (a) Notwithstanding subdivision  
561.3 4, paragraph (b), and subdivision 5, paragraph (b), the commissioner or the commissioner's  
561.4 designee shall only use the data submitted under subdivisions 4 and 5 for the following  
561.5 purposes:

561.6 (1) to evaluate the performance of the health care home program as authorized under  
561.7 section 62U.03, subdivision 7;

561.8 (2) to study, in collaboration with the reducing avoidable readmissions effectively  
561.9 (RARE) campaign, hospital readmission trends and rates;

561.10 (3) to analyze variations in health care costs, quality, utilization, and illness burden based  
561.11 on geographical areas or populations;

561.12 (4) to evaluate the state innovation model (SIM) testing grant received by the Departments  
561.13 of Health and Human Services, including the analysis of health care cost, quality, and  
561.14 utilization baseline and trend information for targeted populations and communities; ~~and~~

561.15 (5) to compile one or more public use files of summary data or tables that must:

561.16 (i) be available to the public for no or minimal cost by March 1, 2016, and available by  
561.17 web-based electronic data download by June 30, 2019;

561.18 (ii) not identify individual patients, payers, or providers;

561.19 (iii) be updated by the commissioner, at least annually, with the most current data  
561.20 available;

561.21 (iv) contain clear and conspicuous explanations of the characteristics of the data, such  
561.22 as the dates of the data contained in the files, the absence of costs of care for uninsured  
561.23 patients or nonresidents, and other disclaimers that provide appropriate context; and

561.24 (v) not lead to the collection of additional data elements beyond what is authorized under  
561.25 this section as of June 30, 2015-; and

561.26 (6) to provide technical assistance to the Health Care Affordability Board to implement  
561.27 sections 62J.86 to 62J.92.

561.28 (b) The commissioner may publish the results of the authorized uses identified in  
561.29 paragraph (a) so long as the data released publicly do not contain information or descriptions  
561.30 in which the identity of individual hospitals, clinics, or other providers may be discerned.

562.1 (c) Nothing in this subdivision shall be construed to prohibit the commissioner from  
562.2 using the data collected under subdivision 4 to complete the state-based risk adjustment  
562.3 system assessment due to the legislature on October 1, 2015.

562.4 (d) The commissioner or the commissioner's designee may use the data submitted under  
562.5 subdivisions 4 and 5 for the purpose described in paragraph (a), clause (3), until July 1,  
562.6 2023.

562.7 (e) The commissioner shall consult with the all-payer claims database work group  
562.8 established under subdivision 12 regarding the technical considerations necessary to create  
562.9 the public use files of summary data described in paragraph (a), clause (5).

562.10 **Sec. 10. [62V.12] STATE-FUNDED COST-SHARING REDUCTIONS.**

562.11 **Subdivision 1. Establishment.** (a) The board must develop and administer a state-funded  
562.12 cost-sharing reduction program for eligible persons who enroll in a silver level qualified  
562.13 health plan through MNsure. The board must implement the cost-sharing reduction program  
562.14 for plan years beginning on or after January 1, 2024.

562.15 (b) For purposes of this section, an "eligible person" is an individual who meets the  
562.16 eligibility criteria to receive a cost-sharing reduction under Code of Federal Regulations,  
562.17 title 45, section 155.305(g).

562.18 **Subd. 2. Reduction in cost-sharing.** (a) The cost-sharing reduction program must use  
562.19 state funds to reduce enrollee cost-sharing by increasing the actuarial value of silver level  
562.20 health plans for eligible persons beyond the 73 percent value established in Code of Federal  
562.21 Regulations, title 45, section 156.420(a)(3)(ii), to an actuarial value of 87 percent.

562.22 (b) Paragraph (a) applies beginning for plan year 2024 for eligible individuals expected  
562.23 to have a household income above 200 percent of the federal poverty level but that does  
562.24 not exceed 250 percent of the federal poverty level, for the benefit year for which coverage  
562.25 is requested.

562.26 (c) Beginning for plan year 2026, the cost-sharing reduction program applies for eligible  
562.27 individuals expected to have a household income above 250 percent of the federal poverty  
562.28 level but that does not exceed 300 percent of the federal poverty level, for the benefit year  
562.29 for which coverage is requested. Under this paragraph, the cost-sharing reduction program  
562.30 applies by increasing the actuarial value of silver level health plans for eligible persons to  
562.31 the 73 percent actuarial value established in Code of Federal Regulations, title 45, section  
562.32 156.420(a)(3)(ii).

562.33 **Subd. 3. Administration.** The board, when administering the program, must:

563.1 (1) allow eligible persons to enroll in a silver level health plan with a state-funded  
 563.2 cost-sharing reduction;

563.3 (2) modify the MNsure shopping tool to display the total cost-sharing reduction benefit  
 563.4 available to individuals eligible under this section; and

563.5 (3) reimburse health carriers on a quarterly basis for the cost to the health plan providing  
 563.6 the state-funded cost-sharing reductions.

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

563.8 Sec. 11. **[62V.13] EASY ENROLLMENT HEALTH INSURANCE OUTREACH**  
 563.9 **PROGRAM.**

563.10 Subdivision 1. **Establishment.** The board, in cooperation with the commissioner of  
 563.11 revenue, must establish the easy enrollment health insurance outreach program to:

563.12 (1) reduce the number of uninsured Minnesotans and increase access to affordable health  
 563.13 insurance coverage;

563.14 (2) allow the commissioner of revenue to provide return information, at the request of  
 563.15 the taxpayer, to MNsure to provide the taxpayer with information about the potential  
 563.16 eligibility for financial assistance and health insurance enrollment options through MNsure;

563.17 (3) allow MNsure to estimate taxpayer potential eligibility for financial assistance for  
 563.18 health insurance coverage; and

563.19 (4) allow MNsure to conduct targeted outreach to assist interested taxpayer households  
 563.20 in applying for and enrolling in affordable health insurance options through MNsure,  
 563.21 including connecting interested taxpayer households with a navigator or broker for free  
 563.22 enrollment assistance.

563.23 Subd. 2. **Screening for eligibility for insurance assistance.** Upon receipt of and based  
 563.24 on return information received from the commissioner of revenue under section 270B.14,  
 563.25 subdivision 22, MNsure may make a projected assessment on whether the interested  
 563.26 taxpayer's household may qualify for a financial assistance program for health insurance  
 563.27 coverage.

563.28 Subd. 3. **Outreach letter and special enrollment period.** (a) MNsure must provide a  
 563.29 written letter of the projected assessment under subdivision 2 to a taxpayer who indicates  
 563.30 to the commissioner of revenue that the taxpayer is interested in obtaining information on  
 563.31 access to health insurance.

564.1 (b) MNsure must allow a special enrollment period for taxpayers who receive the outreach  
564.2 letter in paragraph (a) and are determined eligible to enroll in a qualified health plan through  
564.3 MNsure. The triggering event for the special enrollment period is the day the outreach letter  
564.4 under this subdivision is mailed to the taxpayer. An eligible individual, and their dependents,  
564.5 have 65 days from the triggering event to select a qualifying health plan and coverage for  
564.6 the qualifying health plan is effective the first day of the month after plan selection.

564.7 (c) Taxpayers who have a member of the taxpayer's household currently enrolled in a  
564.8 qualified health plan through MNsure are not eligible for the special enrollment under  
564.9 paragraph (b).

564.10 (d) MNsure must provide information about the easy enrollment health insurance outreach  
564.11 program and the special enrollment period described in this subdivision to the general public.

564.12 Subd. 4. **Appeals.** (a) Projected eligibility assessments for financial assistance under  
564.13 this section are not appealable.

564.14 (b) Qualification for the special enrollment period under this section is appealable to  
564.15 MNsure under this chapter and Minnesota Rules, chapter 7700.

564.16 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
564.17 31, 2023, and applies to health plans offered, issued, or sold on or after January 1, 2024.

564.18 Sec. 12. Minnesota Statutes 2022, section 256.962, subdivision 5, is amended to read:

564.19 Subd. 5. **Incentive program.** Beginning January 1, 2008, the commissioner shall establish  
564.20 an incentive program for organizations and licensed insurance producers under chapter 60K  
564.21 that directly identify and assist potential enrollees in filling out and submitting an application.  
564.22 For each applicant who is successfully enrolled in MinnesotaCare or medical assistance,  
564.23 the commissioner, within the available appropriation, shall pay the organization or licensed  
564.24 insurance producer a ~~\$70~~ \$100 application assistance bonus. The organization or licensed  
564.25 insurance producer may provide an applicant a gift certificate or other incentive upon  
564.26 enrollment.

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

564.28 Sec. 13. Minnesota Statutes 2022, section 256B.04, is amended by adding a subdivision  
564.29 to read:

564.30 Subd. 26. **Disenrollment under medical assistance and MinnesotaCare.** (a) The  
564.31 commissioner shall regularly update mailing addresses and other contact information for  
564.32 medical assistance and MinnesotaCare enrollees in cases of returned mail and nonresponse

565.1 using information available through managed care and county-based purchasing plans, state  
 565.2 health and human services programs, and other sources.

565.3 (b) The commissioner shall not disenroll an individual from medical assistance or  
 565.4 MinnesotaCare in cases of returned mail until the commissioner makes at least two attempts  
 565.5 by phone, email, or other methods to contact the individual. The commissioner may disenroll  
 565.6 the individual after providing no less than 30 days for the individual to respond to the most  
 565.7 recent contact attempt.

565.8 Sec. 14. Minnesota Statutes 2022, section 256B.056, subdivision 7, is amended to read:

565.9 Subd. 7. **Period of eligibility.** (a) Eligibility is available for the month of application  
 565.10 and for three months prior to application if the person was eligible in those prior months.  
 565.11 A redetermination of eligibility must occur every 12 months.

565.12 (b) Notwithstanding any other law to the contrary:

565.13 (1) a child under 21 years of age who is determined eligible for medical assistance must  
 565.14 remain eligible for a period of 12 months; and

565.15 (2) a child under six years of age who is determined eligible for medical assistance must  
 565.16 remain eligible through the month in which the child reaches six years of age.

565.17 (c) A child's eligibility under paragraph (b) may be terminated earlier if:

565.18 (i) the child or the child's representative requests voluntary termination of eligibility;

565.19 (ii) the child ceases to be a resident of this state;

565.20 (iii) the child dies;

565.21 (iv) the child attains the maximum age; or

565.22 (v) the agency determines eligibility was erroneously granted at the most recent eligibility  
 565.23 determination due to agency error or fraud, abuse, or perjury attributed to the child or the  
 565.24 child's representative.

565.25 ~~(b)~~ (d) For a person eligible for an insurance affordability program as defined in section  
 565.26 256B.02, subdivision 19, who reports a change that makes the person eligible for medical  
 565.27 assistance, eligibility is available for the month the change was reported and for three months  
 565.28 prior to the month the change was reported, if the person was eligible in those prior months.

565.29 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval  
 565.30 and the implementation of required administrative and systems changes, whichever is later.

566.1 The commissioner of human services shall notify the revisor of statutes when federal approval  
566.2 is obtained.

566.3 Sec. 15. Minnesota Statutes 2022, section 256B.0631, is amended by adding a subdivision  
566.4 to read:

566.5 Subd. 1a. **Prohibition on cost-sharing and deductibles.** The medical assistance benefit  
566.6 plan must not include cost-sharing or deductibles for any medical assistance recipient or  
566.7 benefit.

566.8 **EFFECTIVE DATE.** This section is effective July 1, 2025, and applies to all medical  
566.9 assistance benefit plans offered, issued, or renewed on or after that date.

566.10 Sec. 16. Minnesota Statutes 2022, section 256L.04, subdivision 7a, is amended to read:

566.11 Subd. 7a. **Ineligibility.** Adults whose income is greater than the limits established under  
566.12 this section may not enroll in the MinnesotaCare program, except as provided in subdivision  
566.13 15.

566.14 **EFFECTIVE DATE.** This section is effective January 1, 2027, or upon federal approval,  
566.15 whichever is later, subject to certification under section 30. The commissioner of human  
566.16 services shall notify the revisor of statutes when federal approval is obtained.

566.17 Sec. 17. Minnesota Statutes 2022, section 256L.04, subdivision 10, is amended to read:

566.18 Subd. 10. **Citizenship requirements.** (a) Eligibility for MinnesotaCare is limited to  
566.19 citizens or nationals of the United States and lawfully present noncitizens as defined in  
566.20 Code of Federal Regulations, title 8, section 103.12. Undocumented noncitizens, with the  
566.21 exception of children under 19 years of age, are ineligible for MinnesotaCare. For purposes  
566.22 of this subdivision, an undocumented noncitizen is an individual who resides in the United  
566.23 States without the approval or acquiescence of the United States Citizenship and Immigration  
566.24 Services. Families with children who are citizens or nationals of the United States must  
566.25 cooperate in obtaining satisfactory documentary evidence of citizenship or nationality  
566.26 according to the requirements of the federal Deficit Reduction Act of 2005, Public Law  
566.27 109-171.

566.28 (b) Notwithstanding subdivisions 1 and 7, eligible persons include families and  
566.29 individuals who are lawfully present and ineligible for medical assistance by reason of  
566.30 immigration status and who have incomes equal to or less than 200 percent of federal poverty  
566.31 guidelines.

567.1 **EFFECTIVE DATE.** This section is effective January 1, 2025.

567.2 Sec. 18. Minnesota Statutes 2022, section 256L.04, is amended by adding a subdivision  
567.3 to read:

567.4 **Subd. 15. Persons eligible for public option.** (a) Families and individuals with income  
567.5 above the maximum income eligibility limit specified in subdivision 1 or 7 but who meet  
567.6 all other MinnesotaCare eligibility requirements are eligible for MinnesotaCare. All other  
567.7 provisions of this chapter apply unless otherwise specified.

567.8 (b) Families and individuals may enroll in MinnesotaCare under this subdivision only  
567.9 during an annual open enrollment period or special enrollment period, as designated by  
567.10 MNsure in compliance with Code of Federal Regulations, title 45, parts 155.410 and 155.420.

567.11 **EFFECTIVE DATE.** This section is effective January 1, 2027, or upon federal approval,  
567.12 whichever is later, subject to certification under section 30. The commissioner of human  
567.13 services shall notify the revisor of statutes when federal approval is obtained.

567.14 Sec. 19. Minnesota Statutes 2022, section 256L.07, subdivision 1, is amended to read:

567.15 Subdivision 1. **General requirements.** Individuals enrolled in MinnesotaCare under  
567.16 section 256L.04, subdivision 1, and individuals enrolled in MinnesotaCare under section  
567.17 256L.04, subdivision 7, whose income increases above 200 percent of the federal poverty  
567.18 guidelines; are no longer eligible for the program and ~~shall~~ must be disenrolled by the  
567.19 commissioner, unless the individuals continue MinnesotaCare enrollment through the public  
567.20 option under section 256L.04, subdivision 15. For persons disenrolled under this subdivision,  
567.21 MinnesotaCare coverage terminates the last day of the calendar month in which the  
567.22 commissioner sends advance notice according to Code of Federal Regulations, title 42,  
567.23 section 431.211, that indicates the income of a family or individual exceeds program income  
567.24 limits.

567.25 **EFFECTIVE DATE.** This section is effective January 1, 2027, or upon federal approval,  
567.26 whichever is later, subject to certification under section 30. The commissioner of human  
567.27 services shall notify the revisor of statutes when federal approval is obtained.

567.28 Sec. 20. Minnesota Statutes 2022, section 256L.15, subdivision 2, is amended to read:

567.29 Subd. 2. **Sliding fee scale; monthly individual or family income.** (a) The commissioner  
567.30 shall establish a sliding fee scale to determine the percentage of monthly individual or family  
567.31 income that households at different income levels must pay to obtain coverage through the

568.1 MinnesotaCare program. The sliding fee scale must be based on the enrollee's monthly  
568.2 individual or family income.

568.3 ~~(b) Beginning January 1, 2014, MinnesotaCare enrollees shall pay premiums according~~  
568.4 ~~to the premium scale specified in paragraph (d).~~

568.5 ~~(c) (b) Paragraph (b) (a) does not apply to:~~

568.6 ~~(1) children 20 years of age or younger; and~~

568.7 ~~(2) individuals with household incomes below 35 percent of the federal poverty~~  
568.8 ~~guidelines.~~

568.9 ~~(d) The following premium scale is established for each individual in the household who~~  
568.10 ~~is 21 years of age or older and enrolled in MinnesotaCare:~~

568.11	<b>Federal Poverty Guideline</b>	<b>Less than</b>	<b>Individual Premium</b>
568.12	<b>Greater than or Equal to</b>		<b>Amount</b>
568.13	35%	55%	\$4
568.14	55%	80%	\$6
568.15	80%	90%	\$8
568.16	90%	100%	\$10
568.17	100%	110%	\$12
568.18	110%	120%	\$14
568.19	120%	130%	\$15
568.20	130%	140%	\$16
568.21	140%	150%	\$25
568.22	150%	160%	\$37
568.23	160%	170%	\$44
568.24	170%	180%	\$52
568.25	180%	190%	\$61
568.26	190%	200%	\$71
568.27	200%		\$80

568.28 ~~(e) (c) Beginning January 1, 2021 2024, the commissioner shall continue to charge~~  
568.29 ~~premiums in accordance with the simplified premium scale established to comply with the~~  
568.30 ~~American Rescue Plan Act of 2021, in effect from January 1, 2021, through December 31,~~  
568.31 ~~2025, for families and individuals eligible under section 256L.04, subdivisions 1 and 7. The~~  
568.32 ~~commissioner shall adjust the premium scale established under paragraph (d) as needed to~~  
568.33 ~~ensure that premiums do not exceed the amount that an individual would have been required~~  
568.34 ~~to pay if the individual was enrolled in an applicable benchmark plan in accordance with~~  
568.35 ~~the Code of Federal Regulations, title 42, section 600.505 (a)(1).~~



569.1 (d) The commissioner shall establish a sliding premium scale for persons eligible through  
569.2 the public option under section 256L.04, subdivision 15. Beginning January 1, 2027, persons  
569.3 eligible through the public option shall pay premiums according to this premium scale.  
569.4 Persons eligible through the public option who are 20 years of age or younger are exempt  
569.5 from paying premiums.

569.6 **EFFECTIVE DATE.** This section is effective January 1, 2024, and certification under  
569.7 section 30 is not required, except that paragraph (d) is effective January 1, 2027, or upon  
569.8 federal approval, whichever is later, subject to certification under section 30. The  
569.9 commissioner of human services shall notify the revisor of statutes when federal approval  
569.10 is obtained.

569.11 Sec. 21. Minnesota Statutes 2022, section 270B.14, is amended by adding a subdivision  
569.12 to read:

569.13 **Subd. 22. Disclosure to MNsure board.** The commissioner may disclose a return or  
569.14 return information to the MNsure board if a taxpayer makes the designation under section  
569.15 290.433 on an income tax return filed with the commissioner. The commissioner must only  
569.16 disclose data necessary to provide the taxpayer with information about the potential eligibility  
569.17 for financial assistance and health insurance enrollment options under section 62V.13.

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

569.19 Sec. 22. **[290.433] EASY ENROLLMENT HEALTH INSURANCE OUTREACH**  
569.20 **PROGRAM CHECKOFF.**

569.21 **Subdivision 1. Taxpayer designation.** Any individual who files an income tax return  
569.22 may designate on their original return a request that the commissioner provide their return  
569.23 information to the MNsure board for purposes of providing the individual with information  
569.24 about potential eligibility for financial assistance and health insurance enrollment options  
569.25 under section 62V.13, to the extent necessary to administer the easy enrollment health  
569.26 insurance outreach program.

569.27 **Subd. 2. Form.** The commissioner shall notify filers of their ability to make the  
569.28 designation in subdivision 1 on their income tax return.

569.29 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
569.30 31, 2023.

570.1 Sec. 23. **DIRECTION TO MNSURE BOARD AND COMMISSIONER.**

570.2 The MNSure board and the commissioner of the Department of Revenue must develop  
570.3 and implement systems, policies, and procedures that encourage, facilitate, and streamline  
570.4 data sharing, projected eligibility assessments, and notice to taxpayers to achieve the purpose  
570.5 of the easy enrollment health insurance outreach program under Minnesota Statutes, section  
570.6 62V.13, for operation beginning with tax year 2023.

570.7 Sec. 24. **RECOMMENDATIONS; OFFICE OF PATIENT PROTECTION.**

570.8 (a) The commissioners of human services, health, and commerce and the MNSure board  
570.9 shall submit to the health care affordability board and the chairs and ranking minority  
570.10 members of the legislative committees with primary jurisdiction over health and human  
570.11 services finance and policy and commerce by January 15, 2024, a report on the organization  
570.12 and duties of the Office of Patient Protection, to be established under Minnesota Statutes,  
570.13 section 62J.89, subdivision 4. The report must include recommendations on how the office  
570.14 shall:

570.15 (1) coordinate or consolidate within the office existing state agency patient protection  
570.16 activities, including but not limited to the activities of ombudsman offices and the MNSure  
570.17 board;

570.18 (2) enforce standards and procedures under Minnesota Statutes, chapter 62M, for  
570.19 utilization review organizations;

570.20 (3) work with private sector and state agency consumer assistance programs to assist  
570.21 consumers with questions or concerns relating to public programs and private insurance  
570.22 coverage;

570.23 (4) establish and implement procedures to assist consumers aggrieved by restrictions on  
570.24 patient choice, denials of services, and reductions in quality of care resulting from any final  
570.25 action by a payer or provider; and

570.26 (5) make health plan company quality of care and patient satisfaction information and  
570.27 other information collected by the office readily accessible to consumers on the board's  
570.28 website.

570.29 (b) The commissioners and the MNSure board shall consult with stakeholders as they  
570.30 develop the recommendations. The stakeholders consulted must include but are not limited  
570.31 to organizations and individuals representing: underserved communities; persons with  
570.32 disabilities; low-income Minnesotans; senior citizens; and public and private sector health

571.1 plan enrollees, including persons who purchase coverage through MNsure, health plan  
571.2 companies, and public and private sector purchasers of health coverage.

571.3 (c) The commissioners and the MNsure board may contract with a third party to develop  
571.4 the report and recommendations.

571.5 Sec. 25. **TRANSITION TO MINNESOTACARE PUBLIC OPTION.**

571.6 (a) The commissioner of human services must continue to administer MinnesotaCare  
571.7 as a basic health program in accordance with Minnesota Statutes, section 256L.02,  
571.8 subdivision 5, and must seek federal waivers, approvals, and law changes as required under  
571.9 section 26.

571.10 (b) The commissioner must present an implementation plan for the MinnesotaCare public  
571.11 option under Minnesota Statutes, section 256L.04, subdivision 15, to the chairs and ranking  
571.12 minority members of the legislative committees with jurisdiction over health care policy  
571.13 and finance by December 15, 2024. The plan must include:

571.14 (1) recommendations for any changes to the MinnesotaCare public option necessary to  
571.15 continue federal basic health program funding or to receive other federal funding;

571.16 (2) recommendations for ensuring sufficient provider participation in MinnesotaCare;

571.17 (3) estimates of state costs related to the MinnesotaCare public option;

571.18 (4) a description of the proposed premium scale for persons eligible through the public  
571.19 option, including an analysis of the extent to which the proposed premium scale:

571.20 (i) ensures affordable premiums for persons across the income spectrum enrolled under  
571.21 the public option; and

571.22 (ii) avoids premium cliffs for persons transitioning to and enrolled under the public  
571.23 option; and

571.24 (5) draft legislation that includes any additional policy and conforming changes necessary  
571.25 to implement the MinnesotaCare public option and the implementation plan  
571.26 recommendations.

571.27 (c) The commissioner shall present to the chairs and ranking minority members of the  
571.28 legislative committees with jurisdiction over health care policy and finance, by January 15,  
571.29 2025, a report comparing service delivery and payment system models for delivering services  
571.30 to MinnesotaCare enrollees eligible under Minnesota Statutes, section 256L.04, subdivisions  
571.31 1, 7, and 15. The report must compare the current delivery model with at least two alternative  
571.32 models. The alternative models must include a state-based model in which the state holds

572.1 the plan risk as the insurer and may contract with a third-party administrator for claims  
572.2 processing and plan administration. The alternative models may include but are not limited  
572.3 to:

572.4 (1) expanding the use of integrated health partnerships under Minnesota Statutes, section  
572.5 256B.0755;

572.6 (2) delivering care under fee-for-service through a primary care case management system;  
572.7 and

572.8 (3) continuing to contract with managed care and county-based purchasing plans for  
572.9 some or all enrollees under modified contracts.

572.10 (d) The report must also include:

572.11 (1) a description of how each model would address:

572.12 (i) racial inequities in the delivery of health care and health care outcomes;

572.13 (ii) geographic inequities in the delivery of health care;

572.14 (iii) incentives for preventive care and other best practices; and

572.15 (iv) reimbursement of providers for high-quality, value-based care at levels sufficient  
572.16 to sustain or increase enrollee access to care;

572.17 (2) a comparison of the projected cost of each model; and

572.18 (3) an implementation timeline for each model that includes the earliest date by which  
572.19 each model could be implemented if authorized during the 2025 legislative session.

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

572.21 Sec. 26. **REQUEST FOR FEDERAL APPROVAL.**

572.22 (a) The commissioner of human services must seek all federal waivers, approvals, and  
572.23 law changes necessary to implement a MinnesotaCare public option and any related changes  
572.24 to state law, including but not limited to those waivers, approvals, and law changes necessary  
572.25 to allow the state to:

572.26 (1) continue receiving federal basic health program payments for basic health  
572.27 program-eligible MinnesotaCare enrollees and to receive other federal funding for the  
572.28 MinnesotaCare public option;

573.1 (2) receive federal payments equal to the value of premium tax credits and cost-sharing  
 573.2 reductions that MinnesotaCare enrollees with household incomes greater than 200 percent  
 573.3 of the federal poverty guidelines would otherwise have received; and

573.4 (3) receive federal payments equal to the value of emergency medical assistance that  
 573.5 would otherwise have been paid to the state for covered services provided to eligible  
 573.6 enrollees.

573.7 (b) In implementing this section, the commissioner of human services must contract  
 573.8 with one or more independent entities to conduct an actuarial analysis of the implementation,  
 573.9 administration, and effects of the provisions of a MinnesotaCare public option and any  
 573.10 related changes to state law, including but not limited to benefits, costs, impacts on coverage,  
 573.11 and affordability to the state and eligible enrollees, impacts on the state's individual market,  
 573.12 and compliance with federal law, at a minimum as necessary to obtain any waivers, approvals,  
 573.13 and law changes sought under this section.

573.14 (c) In implementing this section, the commissioner of human services must consult with  
 573.15 the commissioner of commerce and the Board of Directors of MNsure and may contract  
 573.16 for technical assistance.

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

573.18 Sec. 27. **ANALYSIS OF BENEFITS AND COSTS OF A UNIVERSAL HEALTH**  
 573.19 **CARE SYSTEM.**

573.20 Subdivision 1. **Definitions.** (a) "Total public and private health care spending" means:

573.21 (1) spending on all medical care including but not limited to dental, vision and hearing,  
 573.22 mental health, chemical dependency treatment, prescription drugs, medical equipment and  
 573.23 supplies, long-term care, and home care, whether paid through premiums, co-pays and  
 573.24 deductibles, other out-of-pocket payments, or other funding from government, employers,  
 573.25 or other sources; and

573.26 (2) the costs associated with administering, delivering, and paying for the care. The costs  
 573.27 of administering, delivering, and paying for the care includes all expenses by insurers,  
 573.28 providers, employers, individuals, and government to select, negotiate, purchase, and  
 573.29 administer insurance and care including but not limited to coverage for health care, dental,  
 573.30 long-term care, prescription drugs, medical expense portions of workers compensation and  
 573.31 automobile insurance, and the cost of administering and paying for all health care products  
 573.32 and services that are not covered by insurance.

574.1 (b) "All necessary care" means the full range of services listed in the proposed Minnesota  
574.2 Health Plan legislation, including medical, dental, vision and hearing, mental health, chemical  
574.3 dependency treatment, reproductive and sexual health, prescription drugs, medical equipment  
574.4 and supplies, long-term care, home care, and coordination of care.

574.5 Subd. 2. **Initial assumptions.** (a) When calculating administrative savings under the  
574.6 universal health proposal, the analysts shall recognize that simple, direct payment of medical  
574.7 services avoids the need for provider networks, eliminates prior authorization requirements,  
574.8 and eliminates administrative complexity of other payment schemes along with the need  
574.9 for creating risk adjustment mechanisms, and measuring, tracking, and paying under those  
574.10 risk adjusted or nonrisk adjusted payment schemes by both providers and payors.

574.11 (b) The analysts shall assume that, while gross provider payments may be reduced to  
574.12 reflect reduced administrative costs, net provider income would remain similar to the current  
574.13 system. However, they shall not assume that payment rate negotiations will track current  
574.14 Medicaid, Medicare, or market payment rates or a combination of those rates, because  
574.15 provider compensation, after adjusting for reduced administrative costs, would not be  
574.16 universally raised or lowered but would be negotiated based on market needs, so provider  
574.17 compensation might be raised in an underserved area such as mental health but lowered in  
574.18 other areas.

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

574.20 Sec. 28. **BENEFIT AND COST ANALYSIS OF A UNIVERSAL HEALTH REFORM**  
574.21 **PROPOSAL.**

574.22 Subdivision 1. **Contract for analysis of proposal.** The commissioner of health shall  
574.23 contract with one or more independent entities to conduct an analysis of the benefits and  
574.24 costs of a legislative proposal for a universal health care financing system and a similar  
574.25 analysis of the current health care financing system to assist the state in comparing the  
574.26 proposal to the current system. The contract must strive to produce estimates for all elements  
574.27 in subdivision 3.

574.28 Subd. 2. **Proposal.** The commissioner of health, with input from the commissioners of  
574.29 human services and commerce, shall submit to the contractor for analysis the legislative  
574.30 proposal known as the Minnesota Health Plan, proposed in 2023 Senate File No. 2740;  
574.31 House File No. 2798, if enacted, that would offer a universal health care plan designed to  
574.32 meet a set of principles, including:

574.33 (1) ensure all Minnesotans are covered;

575.1 (2) cover all necessary care; and

575.2 (3) allow patients to choose their doctors, hospitals, and other providers.

575.3 Subd. 3. **Proposal analysis.** (a) The analysis must measure the performance of both the  
575.4 proposed Minnesota Health Plan and the current public and private health care financing  
575.5 system over a ten-year period to contrast the impact on:

575.6 (1) coverage: the number of people who are uninsured versus the number of people who  
575.7 are insured;

575.8 (2) benefit completeness: adequacy of coverage measured by the completeness of the  
575.9 coverage and the number of people lacking coverage for key necessary care elements such  
575.10 as dental, long-term care, medical equipment or supplies, vision and hearing, or other health  
575.11 services that are not covered, if any. The analysis must take into account the vast variety of  
575.12 benefit designs in the commercial market and report the extent of coverage in each area;

575.13 (3) underinsurance: whether people with coverage can afford the care they need or  
575.14 whether cost prevents them from accessing care. This includes affordability in terms of  
575.15 premiums, deductibles, and out-of-pocket expenses;

575.16 (4) system capacity: the timeliness and appropriateness of the care received and whether  
575.17 people turn to inappropriate care such as emergency rooms because of a lack of proper care  
575.18 in accordance with clinical guidelines; and

575.19 (5) health care spending: total public and private health care spending in Minnesota  
575.20 under the current system versus under the Minnesota Health Plan legislative proposal,  
575.21 including all spending by individuals, businesses, and government. Where relevant, the  
575.22 analysis shall be broken out by key necessary care areas, such as medical, dental, and mental  
575.23 health. The analysis of total health care spending shall examine whether there are savings  
575.24 or additional costs under the legislative proposal compared to the existing system due to:

575.25 (i) changes in cost of insurance, billing, underwriting, marketing, evaluation, and other  
575.26 administrative functions for all entities involved in the health care system, including savings  
575.27 from global budgeting for hospitals and institutional care instead of billing for individual  
575.28 services provided;

575.29 (ii) changed prices on medical services and products, including pharmaceuticals, due to  
575.30 price negotiations under the proposal;

575.31 (iii) impact on utilization, health outcomes, and workplace absenteeism due to prevention,  
575.32 early intervention, and health-promoting activities;

576.1 (iv) shortages or excess capacity of medical facilities, equipment, and personnel, including  
576.2 caregivers and staff, under either the current system or the proposal, including capacity of  
576.3 clinics, hospitals, and other appropriate care sites versus inappropriate emergency room  
576.4 usage. The analysis shall break down capacity by geographic differences such as rural versus  
576.5 metro, and disparate access by population group;

576.6 (v) the impact on state, local, and federal government non-health-care expenditures.  
576.7 This may include areas such as reduced crime and out-of-home placement costs due to  
576.8 mental health or chemical dependency coverage. Additional definition may further develop  
576.9 hypotheses for other impacts that warrant analysis;

576.10 (vi) job losses or gains within the health care system; specifically, in health care delivery,  
576.11 health billing, and insurance administration;

576.12 (vii) job losses or gains elsewhere in the economy under the proposal due to  
576.13 implementation of the resulting reduction of insurance and administrative burdens on  
576.14 businesses; and

576.15 (viii) impact on disparities in health care access and outcomes.

576.16 (b) The contractor or contractors shall propose an iterative process for designing and  
576.17 conducting the analysis. Steps shall be reviewed with and approved by the commissioner  
576.18 of health and lead house and senate authors of the legislative proposal, and shall include  
576.19 but not be limited to:

576.20 (1) clarification of the specifics of the proposal. The analysis shall assume that the  
576.21 provisions in the proposal are not preempted by federal law or that the federal government  
576.22 gives a waiver to the preemptions;

576.23 (2) additional data elements needed to accomplish goals of the analysis;

576.24 (3) assumptions analysts are using in their analysis and the quality of the evidence behind  
576.25 those assumptions;

576.26 (4) timing of each stage of the project with agreed upon decision points;

576.27 (5) approaches to address any services currently provided in the existing health care  
576.28 system that may not be provided for within the Minnesota Health Plan as proposed; and

576.29 (6) optional scenarios provided by contractor or contractors with minor alterations in  
576.30 the proposed plan related to services covered or cost-sharing if those scenarios might be  
576.31 helpful to the legislature.



577.1 (c) The commissioner shall issue a final report by January 15, 2026, and may provide  
577.2 interim reports and status updates to the governor and the chairs and ranking minority  
577.3 members of the legislative committees with jurisdiction over health and human services  
577.4 policy and finance aligned with the iterative process defined above.

577.5 (d) The contractor may offer a modeling tool as deliverable with a line-item cost provided.

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

577.7 Sec. 29. **REPEALER.**

577.8 Minnesota Statutes 2022, section 256B.0631, subdivisions 1, 2, and 3, are repealed.

577.9 **EFFECTIVE DATE.** This section is effective July 1, 2025.

577.10 Sec. 30. **CONTINGENT EFFECTIVE DATE.**

577.11 Sections 16, 18, and 19, and the specified portion of section 20, are effective January 1,  
577.12 2027, or upon federal approval, whichever is later, but only if the commissioner of human  
577.13 services certifies to the legislature the following:

577.14 (1) that implementation of those sections will not result in substantial reduction in federal  
577.15 basic health program funding for MinnesotaCare enrollees with incomes not exceeding 200  
577.16 percent of the federal poverty guidelines;

577.17 (2) premiums necessary to operationalize the program are deemed affordable in  
577.18 accordance with applicable federal law;

577.19 (3) the actuarial value of benefit does not fall below 94 percent and the benefit set is  
577.20 equal to or greater than that historically available in MinnesotaCare;

577.21 (4) the 1332 waiver was approved consistent, or without substantial deviation, from the  
577.22 implementation plan;

577.23 (5) the commissioner of commerce certifies that the public option would expand plan  
577.24 options available for individuals purchasing coverage;

577.25 (6) the state receives a substantially similar pass-through funding amount from the federal  
577.26 government that would have otherwise gone to enrollees' advanced premium tax credits;

577.27 (7) individuals currently served by the MinnesotaCare program are not disproportionately  
577.28 or substantively negatively impacted in order to make the public option affordable or  
577.29 implementable; and

578.1 (8) individuals currently served by the Medical Assistance program are not  
 578.2 disproportionally or substantively negatively impacted in order to make the public option  
 578.3 affordable or implementable.

578.4 The commissioner of human services shall notify the revisor of statutes when federal approval  
 578.5 is obtained.

578.6 **ARTICLE 18**

578.7 **FORECAST ADJUSTMENTS**

578.8 Section 1. **HUMAN SERVICES FORECAST ADJUSTMENTS.**

578.9 The dollar amounts shown in the columns marked "Appropriations" are added to or, if  
 578.10 shown in parentheses, are subtracted from the appropriations in Laws 2021, First Special  
 578.11 Session chapter 7, article 15, and Laws 2021, First Special Session chapter 7, article 16,  
 578.12 from the general fund, or any other fund named, to the commissioner of human services for  
 578.13 the purposes specified in this article, to be available for the fiscal year indicated for each  
 578.14 purpose. The figure "2023" used in this article means that the appropriations listed are  
 578.15 available for the fiscal year ending June 30, 2023.

578.16 **APPROPRIATIONS**  
 578.17 **Available for the Year**  
 578.18 **Ending June 30**  
 578.19 **2023**

578.20 Sec. 2. **COMMISSIONER OF HUMAN**  
 578.21 **SERVICES**

578.22 Subdivision 1. **Total Appropriation** **\$ (1,459,845,000)**

578.23 Appropriations by Fund

578.24 2023

578.25 General (1,235,088,000)

578.26 Health Care Access (203,530,000)

578.27 Federal TANF (21,227,000)

578.28 Subd. 2. **Forecasted Programs**

578.29 **(a) Minnesota Family**

578.30 **Investment Program**

578.31 **(MFIP)/Diversionary Work**

578.32 **Program (DWP)**

578.33 Appropriations by Fund

578.34 2023

579.1	<u>General</u>	<u>(99,000)</u>	
579.2	<u>Federal TANF</u>	<u>(21,227,000)</u>	
579.3	<u>(b) MFIP Child Care Assistance</u>		<u>(36,957,000)</u>
579.4	<u>(c) General Assistance</u>		<u>(1,632,000)</u>
579.5	<u>(d) Minnesota Supplemental Aid</u>		<u>783,000</u>
579.6	<u>(e) Housing Support</u>		<u>180,000</u>
579.7	<u>(f) Northstar Care for Children</u>		<u>(18,038,000)</u>
579.8	<u>(g) MinnesotaCare</u>		<u>(203,530,000)</u>
579.9	<u>This appropriation is from the health care</u>		
579.10	<u>access fund.</u>		
579.11	<u>(h) Medical Assistance</u>		
579.12	<u>Appropriations by Fund</u>		
579.13	<u>2023</u>		
579.14	<u>General</u>	<u>(1,172,921,000)</u>	
579.15	<u>Health Care Access</u>	<u>0</u>	
579.16	<u>(i) Behavioral Health Fund</u>		<u>(6,404,000)</u>

579.17 Sec. 3. **EFFECTIVE DATE.**

579.18 Sections 1 and 2 are effective the day following final enactment.

579.19 **ARTICLE 19**

579.20 **APPROPRIATIONS**

579.21 Section 1. **HEALTH AND HUMAN SERVICES APPROPRIATIONS.**

579.22 The sums shown in the columns marked "Appropriations" are appropriated to the agencies  
579.23 and for the purposes specified in this article. The appropriations are from the general fund,  
579.24 or another named fund, and are available for the fiscal years indicated for each purpose.

579.25 The figures "2024" and "2025" used in this article mean that the appropriations listed under  
579.26 them are available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively.  
579.27 "The first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium"  
579.28 is fiscal years 2024 and 2025.

579.29 **APPROPRIATIONS**

579.30 **Available for the Year**

580.1			<b><u>Ending June 30</u></b>
580.2			<b><u>2024</u></b> <b><u>2025</u></b>
580.3	<b><u>Sec. 2. COMMISSIONER OF HUMAN</u></b>		
580.4	<b><u>SERVICES</u></b>		
580.5	<b><u>Subdivision 1. Total Appropriation</u></b>	<b>\$</b>	<b><u>3,936,743,000</u></b> <b>\$</b> <b><u>4,194,149,000</u></b>
580.6	<u>Appropriations by Fund</u>		
580.7		<u>2024</u>	<u>2025</u>
580.8	<u>General</u>	<u>2,653,278,000</u>	<u>2,843,638,000</u>
580.9	<u>State Government</u>		
580.10	<u>Special Revenue</u>	<u>4,901,000</u>	<u>5,409,000</u>
580.11	<u>Health Care Access</u>	<u>999,388,000</u>	<u>1,063,076,000</u>
580.12	<u>Federal TANF</u>	<u>276,953,000</u>	<u>281,863,000</u>
580.13	<u>Lottery Prize</u>	<u>163,000</u>	<u>163,000</u>
580.14	<u>Opiate Epidemic</u>		
580.15	<u>Response</u>	<u>2,060,000</u>	<u>0</u>
580.16	<u>The amounts that may be spent for each</u>		
580.17	<u>purpose are specified in the following</u>		
580.18	<u>subdivisions.</u>		
580.19	<b><u>Subd. 2. TANF Maintenance of Effort</u></b>		
580.20	<b><u>(a) Nonfederal expenditures. The</u></b>		
580.21	<u>commissioner shall ensure that sufficient</u>		
580.22	<u>qualified nonfederal expenditures are made</u>		
580.23	<u>each year to meet the state's maintenance of</u>		
580.24	<u>effort requirements of the TANF block grant</u>		
580.25	<u>specified under Code of Federal Regulations,</u>		
580.26	<u>title 45, section 263.1. In order to meet these</u>		
580.27	<u>basic TANF maintenance of effort</u>		
580.28	<u>requirements, the commissioner may report</u>		
580.29	<u>as TANF maintenance of effort expenditures</u>		
580.30	<u>only nonfederal money expended for allowable</u>		
580.31	<u>activities listed in the following clauses:</u>		
580.32	<u>(1) MFIP cash, diversionary work program,</u>		
580.33	<u>and food assistance benefits under Minnesota</u>		
580.34	<u>Statutes, chapter 256J;</u>		

581.1 (2) the child care assistance programs under  
581.2 Minnesota Statutes, sections 119B.03 and  
581.3 119B.05, and county child care administrative  
581.4 costs under Minnesota Statutes, section  
581.5 119B.15;

581.6 (3) state and county MFIP administrative costs  
581.7 under Minnesota Statutes, chapters 256J and  
581.8 256K;

581.9 (4) state, county, and Tribal MFIP  
581.10 employment services under Minnesota  
581.11 Statutes, chapters 256J and 256K;

581.12 (5) expenditures made on behalf of legal  
581.13 noncitizen MFIP recipients who qualify for  
581.14 the MinnesotaCare program under Minnesota  
581.15 Statutes, chapter 256L;

581.16 (6) qualifying working family credit  
581.17 expenditures under Minnesota Statutes, section  
581.18 290.0671;

581.19 (7) qualifying Minnesota education credit  
581.20 expenditures under Minnesota Statutes, section  
581.21 290.0674; and

581.22 (8) qualifying Head Start expenditures under  
581.23 Minnesota Statutes, section 119A.50.

581.24 **(b) Nonfederal expenditures; reporting.** For  
581.25 the activities listed in paragraph (a), clauses  
581.26 (2) to (8), the commissioner must report only  
581.27 expenditures that are excluded from the  
581.28 definition of assistance under Code of Federal  
581.29 Regulations, title 45, section 260.31.

581.30 **(c) Limitations; exceptions.** The  
581.31 commissioner must not claim an amount of  
581.32 TANF maintenance of effort in excess of the  
581.33 75 percent standard in Code of Federal

582.1 Regulations, title 45, section 263.1(a)(2),  
582.2 except:

582.3 (1) to the extent necessary to meet the 80  
582.4 percent standard under Code of Federal  
582.5 Regulations, title 45, section 263.1(a)(1), if it  
582.6 is determined by the commissioner that the  
582.7 state will not meet the TANF work  
582.8 participation target rate for the current year;

582.9 (2) to provide any additional amounts under  
582.10 Code of Federal Regulations, title 45, section  
582.11 264.5, that relate to replacement of TANF  
582.12 funds due to the operation of TANF penalties;  
582.13 and

582.14 (3) to provide any additional amounts that may  
582.15 contribute to avoiding or reducing TANF work  
582.16 participation penalties through the operation  
582.17 of the excess maintenance of effort provisions  
582.18 of Code of Federal Regulations, title 45,  
582.19 section 261.43(a)(2).

582.20 **(d) Supplemental expenditures.** For the  
582.21 purposes of paragraph (c), the commissioner  
582.22 may supplement the maintenance of effort  
582.23 claim with working family credit expenditures  
582.24 or other qualified expenditures to the extent  
582.25 such expenditures are otherwise available after  
582.26 considering the expenditures allowed in this  
582.27 subdivision.

582.28 **(e) Reduction of appropriations; exception.**  
582.29 The requirement in Minnesota Statutes, section  
582.30 256.011, subdivision 3, that federal grants or  
582.31 aids secured or obtained under that subdivision  
582.32 be used to reduce any direct appropriations  
582.33 provided by law does not apply if the grants  
582.34 or aids are federal TANF funds.

583.1 **(f) IT appropriations generally.** This  
583.2 appropriation includes funds for information  
583.3 technology projects, services, and support.  
583.4 Notwithstanding Minnesota Statutes, section  
583.5 16E.0466, funding for information technology  
583.6 project costs must be incorporated into the  
583.7 service level agreement and paid to Minnesota  
583.8 IT Services by the Department of Human  
583.9 Services under the rates and mechanism  
583.10 specified in that agreement.

583.11 **(g) Receipts for systems project.**  
583.12 Appropriations and federal receipts for  
583.13 information technology systems projects for  
583.14 MAXIS, PRISM, MMIS, ISDS, METS, and  
583.15 SSIS must be deposited in the state systems  
583.16 account authorized in Minnesota Statutes,  
583.17 section 256.014. Money appropriated for  
583.18 information technology projects approved by  
583.19 the chief information officer funded by the  
583.20 legislature, and approved by the commissioner  
583.21 of management and budget may be transferred  
583.22 from one project to another and from  
583.23 development to operations as the  
583.24 commissioner of human services considers  
583.25 necessary. Any unexpended balance in the  
583.26 appropriation for these projects does not  
583.27 cancel and is available for ongoing  
583.28 development and operations.

583.29 **(h) Federal SNAP education and training**  
583.30 **grants.** Federal funds available during fiscal  
583.31 years 2024 and 2025 for Supplemental  
583.32 Nutrition Assistance Program Education and  
583.33 Training and SNAP Quality Control  
583.34 Performance Bonus grants are appropriated  
583.35 to the commissioner of human services for the

584.1 purposes allowable under the terms of the  
 584.2 federal award. This paragraph is effective the  
 584.3 day following final enactment.

584.4 **Subd. 3. Central Office; Operations**

584.5 Appropriations by Fund

584.6	<u>General</u>	<u>252,461,000</u>	<u>238,205,000</u>
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584.7	<u>State Government</u>		
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584.8	<u>Special Revenue</u>	<u>4,776,000</u>	<u>5,284,000</u>
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584.9	<u>Health Care Access</u>	<u>9,347,000</u>	<u>11,244,000</u>
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584.10	<u>Federal TANF</u>	<u>1,090,000</u>	<u>1,194,000</u>
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584.11 **(a) Administrative recovery; set-aside. The**

584.12 commissioner may invoice local entities

584.13 through the SWIFT accounting system as an

584.14 alternative means to recover the actual cost of

584.15 administering the following provisions:

584.16 (1) the statewide data management system

584.17 authorized in Minnesota Statutes, section

584.18 125A.744, subdivision 3;

584.19 (2) repayment of the special revenue

584.20 maximization account as provided under

584.21 Minnesota Statutes, section 245.495,

584.22 paragraph (b);

584.23 (3) repayment of the special revenue

584.24 maximization account as provided under

584.25 Minnesota Statutes, section 256B.0625,

584.26 subdivision 20, paragraph (k);

584.27 (4) targeted case management under

584.28 Minnesota Statutes, section 256B.0924,

584.29 subdivision 6, paragraph (g);

584.30 (5) residential services for children with severe

584.31 emotional disturbance under Minnesota

584.32 Statutes, section 256B.0945, subdivision 4,

584.33 paragraph (d); and



585.1 (6) repayment of the special revenue  
 585.2 maximization account as provided under  
 585.3 Minnesota Statutes, section 256F.10,  
 585.4 subdivision 6, paragraph (b).

585.5 (b) **Base level adjustment.** The general fund  
 585.6 base is \$228,892,000 in fiscal year 2026 and  
 585.7 \$227,929,000 in fiscal year 2027. The state  
 585.8 government special revenue base is \$4,880,000  
 585.9 in fiscal year 2026 and \$4,710,000 in fiscal  
 585.10 year 2027.

585.11 Subd. 4. **Central Office; Children and Families**

585.12	<u>Appropriations by Fund</u>		
585.13	<u>General</u>	<u>35,632,000</u>	<u>36,150,000</u>
585.14	<u>Federal TANF</u>	<u>2,582,000</u>	<u>2,582,000</u>

585.15 (a) **Quadrennial review of child support**  
 585.16 **guidelines.** \$64,000 in fiscal year 2024 and  
 585.17 \$32,000 in fiscal year 2025 are from the  
 585.18 general fund for a quadrennial review of child  
 585.19 support guidelines.

585.20 (b) **Transfer.** The commissioner must transfer  
 585.21 \$64,000 in fiscal year 2024 and \$32,000 in  
 585.22 fiscal year 2025 from the general fund to the  
 585.23 special revenue fund to be used for the  
 585.24 quadrennial review of child support guidelines.

585.25 (c) **Recognizing comparable competencies**  
 585.26 **to achieve comparable compensation task**  
 585.27 **force.** \$141,000 in fiscal year 2024 and  
 585.28 \$165,000 in fiscal year 2025 are from the  
 585.29 general fund for the Recognizing Comparable  
 585.30 Competencies to Achieve Comparable  
 585.31 Compensation Task Force. This is a onetime  
 585.32 appropriation.

585.33 (d) **Child care and early education**  
 585.34 **professional wage scale.** \$637,000 in fiscal

586.1 year 2024 and \$565,000 in fiscal year 2025  
 586.2 are from the general fund for developing a  
 586.3 wage scale for child care and early education  
 586.4 professionals. This is a onetime appropriation.

586.5 **(e) Cost estimation model for early care and**  
 586.6 **learning programs. \$100,000 in fiscal year**  
 586.7 **2024 is from the general fund for developing**  
 586.8 **a cost estimation model for providing early**  
 586.9 **care and learning.**

586.10 **(f) Base level adjustment. The general fund**  
 586.11 **base is \$35,328,000 in fiscal year 2026 and**  
 586.12 **\$35,192,000 in fiscal year 2027.**

586.13 **Subd. 5. Central Office; Health Care**

586.14 Appropriations by Fund

586.15	<u>General</u>	<u>29,859,000</u>	<u>31,796,000</u>
586.16	<u>Health Care Access</u>	<u>28,168,000</u>	<u>28,168,000</u>

586.17 **(a) Medical assistance and MinnesotaCare**  
 586.18 **accessibility improvements. \$1,350,000 in**  
 586.19 **fiscal year 2024 is from the general fund to**  
 586.20 **improve the accessibility of applications,**  
 586.21 **forms, and other consumer support resources**  
 586.22 **and services for medical assistance and**  
 586.23 **MinnesotaCare enrollees with limited English**  
 586.24 **proficiency.**

586.25 **(b) Palliative care benefit study. \$150,000**  
 586.26 **in fiscal year 2024 is from the general fund**  
 586.27 **for a study of the fiscal, medical, and social**  
 586.28 **impacts of implementing a palliative care**  
 586.29 **benefit in medical assistance and**  
 586.30 **MinnesotaCare. This is a onetime**  
 586.31 **appropriation. The commissioner must report**  
 586.32 **the results of the study to the chairs and**  
 586.33 **ranking minority members of the legislative**

587.1 committees with jurisdiction over health care  
 587.2 by January 15, 2024.

587.3 (c) **Base level adjustment.** The general fund  
 587.4 base is \$30,931,000 in fiscal year 2026 and  
 587.5 \$34,617,000 in fiscal year 2027.

587.6 **Subd. 6. Central Office; Aging and Disabilities**  
 587.7 **Services**

587.8	<u>Appropriations by Fund</u>		
587.9	<u>General</u>	<u>38,726,000</u>	<u>34,688,000</u>
587.10	<u>State Government</u>		
587.11	<u>Special Revenue</u>	<u>125,000</u>	<u>125,000</u>

587.12 **Catholic Charities homeless elders**  
 587.13 **program.** \$728,000 in fiscal year 2024 and  
 587.14 \$728,000 in fiscal year 2025 are for a grant to  
 587.15 Catholic Charities of St. Paul and Minneapolis  
 587.16 to operate its homeless elders program. This  
 587.17 is a onetime appropriation.

587.18 **Subd. 7. Central Office; Behavioral Health, Deaf**  
 587.19 **and Hard of Hearing, and Housing Services**

587.20	<u>Appropriations by Fund</u>		
587.21	<u>General</u>	<u>24,963,000</u>	<u>24,043,000</u>
587.22	<u>Lottery Prize</u>	<u>163,000</u>	<u>163,000</u>
587.23	<u>Opiate Epidemic</u>		
587.24	<u>Response</u>	<u>60,000</u>	<u>0</u>

587.25 **(a) Homeless management system.** \$250,000  
 587.26 in fiscal year 2024 and \$1,000,000 in fiscal  
 587.27 year 2025 are from the general fund for a  
 587.28 homeless management information system.  
 587.29 The base for this appropriation is \$1,140,000  
 587.30 in fiscal year 2026 and \$1,140,000 in fiscal  
 587.31 year 2027.

587.32 **(b) Base level adjustment.** The general fund  
 587.33 base is \$23,793,000 in fiscal year 2026 and  
 587.34 \$23,755,000 in fiscal year 2027.

587.35 **Subd. 8. Forecasted Programs; MFIP/DWP**

588.1	<u>Appropriations by Fund</u>		
588.2	<u>General</u>	<u>82,652,000</u>	<u>91,628,000</u>
588.3	<u>Federal TANF</u>	<u>105,337,000</u>	<u>109,974,000</u>
588.4	<b><u>Subd. 9. Forecasted Programs; MFIP Child Care</u></b>		
588.5	<b><u>Assistance</u></b>		<u>38,743,000</u> <u>143,055,000</u>
588.6	<b><u>Subd. 10. Forecasted Programs; General</u></b>		
588.7	<b><u>Assistance</u></b>		
588.8	<u>Appropriations by Fund</u>		
588.9	<u>General</u>	<u>52,026,000</u>	<u>74,606,000</u>
588.10	<u>Federal TANF</u>	<u>0</u>	<u>169,000</u>
588.11	<b><u>(a) Emergency general assistance. The</u></b>		
588.12	<u>amount appropriated for emergency general</u>		
588.13	<u>assistance is limited to no more than</u>		
588.14	<u>\$6,729,812 in fiscal year 2024 and \$6,729,812</u>		
588.15	<u>in fiscal year 2025. Funds to counties shall be</u>		
588.16	<u>allocated by the commissioner using the</u>		
588.17	<u>allocation method under Minnesota Statutes,</u>		
588.18	<u>section 256D.06.</u>		
588.19	<b><u>(b) Base adjustment. The federal TANF fund</u></b>		
588.20	<u>base is \$1,970,000 in fiscal year 2026 and</u>		
588.21	<u>\$2,447,000 in fiscal year 2027.</u>		
588.22	<b><u>Subd. 11. Forecasted Programs; Minnesota</u></b>		
588.23	<b><u>Supplemental Aid</u></b>		<u>58,548,000</u> <u>60,357,000</u>
588.24	<b><u>Subd. 12. Forecasted Programs; Housing</u></b>		
588.25	<b><u>Support</u></b>		
588.26	<b><u>Subd. 13. Forecasted Programs; Northstar Care</u></b>		
588.27	<b><u>for Children</u></b>		
588.28	<b><u>Subd. 14. Forecasted Programs; MinnesotaCare</u></b>		
588.29	<u>This appropriation is from the health care</u>		
588.30	<u>access fund.</u>		
588.31	<b><u>Subd. 15. Forecasted Programs; Medical</u></b>		
588.32	<b><u>Assistance</u></b>		
588.33	<u>Appropriations by Fund</u>		
588.34	<u>General</u>	<u>1,103,945,000</u>	<u>1,082,102,000</u>
588.35	<u>Health Care Access</u>	<u>869,524,000</u>	<u>964,148,000</u>

589.1	<u>The health care access fund base is</u>		
589.2	<u>\$881,650,000 in fiscal year 2026 and</u>		
589.3	<u>\$1,197,599,000 in fiscal year 2027.</u>		
589.4	<b><u>Subd. 16. Forecasted Programs; Alternative</u></b>		
589.5	<b><u>Care</u></b>	<u>158,000</u>	<u>460,000</u>
589.6	<b><u>Subd. 17. Forecasted Programs; Behavioral</u></b>		
589.7	<b><u>Health Fund</u></b>	<u>993,000</u>	<u>2,831,000</u>
589.8	<b><u>Subd. 18. Grant Programs; Support Services</u></b>		
589.9	<b><u>Grants</u></b>		
589.10	<u>Appropriations by Fund</u>		
589.11	<u>General</u>	<u>8,715,000</u>	<u>8,715,000</u>
589.12	<u>Federal TANF</u>	<u>96,311,000</u>	<u>96,311,000</u>
589.13	<b><u>Subd. 19. Grant Programs; Basic Sliding Fee</u></b>		
589.14	<b><u>Child Assistance Care Grants</u></b>	<u>64,203,000</u>	<u>113,974,000</u>
589.15	<u>The general fund base is \$144,650,000 in</u>		
589.16	<u>fiscal year 2026 and \$142,007,000 in fiscal</u>		
589.17	<u>year 2027.</u>		
589.18	<b><u>Subd. 20. Grant Programs; Child Care</u></b>		
589.19	<b><u>Development Grants</u></b>	<u>151,569,000</u>	<u>158,120,000</u>
589.20	<b><u>(a) Child care retention program.</u></b>		
589.21	<u>\$102,887,000 in fiscal year 2024 and</u>		
589.22	<u>\$142,989,000 in fiscal year 2025 are for the</u>		
589.23	<u>child care retention program payments under</u>		
589.24	<u>Minnesota Statutes, section 119B.27. The base</u>		
589.25	<u>for this appropriation is \$145,205,000 in fiscal</u>		
589.26	<u>year 2026 and \$146,098,000 in fiscal year</u>		
589.27	<u>2027.</u>		
589.28	<b><u>(b) Transition grant program. \$41,895,000</u></b>		
589.29	<u>in fiscal year 2024 is for transition grants for</u>		
589.30	<u>child care providers that intend to participate</u>		
589.31	<u>in the child care retention program. This is a</u>		
589.32	<u>onetime appropriation and is available until</u>		
589.33	<u>June 30, 2025.</u>		
589.34	<b><u>(c) REETAIN grant program. \$1,000,000</u></b>		
589.35	<u>in fiscal year 2024 and \$1,000,000 in fiscal</u>		

590.1 year 2025 are for the REETAIN grant program  
590.2 under Minnesota Statutes, section 119B.195.  
590.3 The general fund base for this appropriation  
590.4 is \$1,500,000 in fiscal year 2026 and  
590.5 \$1,500,000 in fiscal year 2027.

590.6 **(d) Child care workforce development**  
590.7 **grants administration. \$1,300,000 in fiscal**  
590.8 **year 2025 is for a grant to the statewide child**  
590.9 **care resource and referral network to**  
590.10 **administer child care workforce development**  
590.11 **grants under Minnesota Statutes, section**  
590.12 **119B.19, subdivision 7, clause (10).**

590.13 **(e) Scholarship program. \$695,000 in fiscal**  
590.14 **year 2025 is for a scholarship program for**  
590.15 **early childhood and school-age educators**  
590.16 **under Minnesota Statutes, section 119B.251.**

590.17 **(f) Child care one-stop shop. \$2,920,000 in**  
590.18 **fiscal year 2025 is for a grant to the statewide**  
590.19 **child care resource and referral network to**  
590.20 **administer the child care one-stop shop**  
590.21 **regional assistance network under Minnesota**  
590.22 **Statutes, section 119B.19, subdivision 7,**  
590.23 **clause (9).**

590.24 **(g) Shared services grants. \$500,000 in fiscal**  
590.25 **year 2024 and \$500,000 in fiscal year 2025**  
590.26 **are for shared services grants under Minnesota**  
590.27 **Statutes, section 119B.28.**

590.28 **(h) Access to technology grants. \$300,000**  
590.29 **in fiscal year 2024 and \$300,000 in fiscal year**  
590.30 **2025 are for child care provider access to**  
590.31 **technology grants under Minnesota Statutes,**  
590.32 **section 119B.29.**

590.33 **(i) Business training and consultation.**  
590.34 **\$1,250,000 in fiscal year 2024 and \$1,500,000**

591.1 in fiscal year 2025 are for business training  
 591.2 and consultation under Minnesota Statutes,  
 591.3 section 119B.25, subdivision 3, paragraph (a),  
 591.4 clause (6).

591.5 **(j) Early childhood registered**  
 591.6 **apprenticeship grant program. \$2,000,000**  
 591.7 in fiscal year 2024 and \$2,000,000 in fiscal  
 591.8 year 2025 are for the early childhood  
 591.9 registered apprenticeship grant program under  
 591.10 Minnesota Statutes, section 119B.252.

591.11 **(k) Family, friend, and neighbor grant**  
 591.12 **program. \$3,179,000 in fiscal year 2024 and**  
 591.13 **\$3,179,000 in fiscal year 2025 are for the**  
 591.14 **family, friend, and neighbor grant program**  
 591.15 **under Minnesota Statutes, section 119B.196.**

591.16 **(l) Base level adjustment.** The general fund  
 591.17 base is \$160,836,000 in fiscal year 2026 and  
 591.18 \$161,729,000 in fiscal year 2027.

591.19 <b><u>Subd. 21. Grant Programs; Child Support</u></b>		
591.20 <b><u>Enforcement Grants</u></b>	<u>50,000</u>	<u>50,000</u>

591.21 **Subd. 22. Grant Programs; Children's Services**  
 591.22 **Grants**

591.23	<u>Appropriations by Fund</u>	
591.24 <u>General</u>	<u>75,524,000</u>	<u>85,181,000</u>
591.25 <u>Federal TANF</u>	<u>140,000</u>	<u>140,000</u>

591.26 **(a) Mille Lacs Band of Ojibwe American**  
 591.27 **Indian child welfare initiative. \$3,337,000**  
 591.28 in fiscal year 2024 and \$5,294,000 in fiscal  
 591.29 year 2025 are from the general fund for the  
 591.30 Mille Lacs Band of Ojibwe to join the  
 591.31 American Indian child welfare initiative. The  
 591.32 base for this appropriation is \$7,893,000 in  
 591.33 fiscal year 2026 and \$7,893,000 in fiscal year  
 591.34 2027.

592.1 **(b) Grants for kinship navigator services.**

592.2 \$764,000 in fiscal year 2024 and \$764,000 in  
592.3 fiscal year 2025 are from the general fund for  
592.4 grants for kinship navigator services and  
592.5 grants to Tribal Nations for kinship navigator  
592.6 services. The base for this appropriation is  
592.7 \$750,000 in fiscal year 2026 and \$750,000 in  
592.8 fiscal year 2027.

592.9 **(c) Family First Prevention and Early**

592.10 **Intervention assessment response grants.**

592.11 \$6,100,000 in fiscal year 2024 and \$9,800,000  
592.12 in fiscal year 2025 are from the general fund  
592.13 for family assessment response grants under  
592.14 Minnesota Statutes, section 260.014.

592.15 **(d) Grants for evidence-based prevention**

592.16 **and early intervention services. \$3,000,000**

592.17 in fiscal year 2024 and \$7,000,000 in fiscal  
592.18 year 2025 are from the general fund for grants  
592.19 to support evidence-based prevention and early  
592.20 intervention services under Minnesota  
592.21 Statutes, section 260.014. The base for this  
592.22 appropriation is \$10,000,000 in fiscal year  
592.23 2026 and \$10,000,000 in fiscal year 2027.

592.24 **(e) Grant to administer pool of qualified**

592.25 **individuals for assessments. \$450,000 in**

592.26 fiscal year 2024 and \$450,000 in fiscal year  
592.27 2025 are from the general fund for grants to  
592.28 establish and manage a pool of state-funded  
592.29 qualified individuals to conduct assessments  
592.30 for out-of-home placement of a child in a  
592.31 qualified residential treatment program.

592.32 **(f) Grants to counties to reduce foster care**

592.33 **caseloads. \$3,000,000 in fiscal year 2024 and**

592.34 \$3,000,000 in fiscal year 2025 are from the  
592.35 general fund for grants to counties and



593.1 American Indian child welfare initiative Tribes  
 593.2 to reduce extended foster care caseload sizes.

593.3 **(g) Quality parenting initiative grant**  
 593.4 **program.** \$100,000 in fiscal year 2024 and  
 593.5 \$100,000 in fiscal year 2025 are from the  
 593.6 general fund for a grant to Quality Parenting  
 593.7 Initiative Minnesota under Minnesota Statutes,  
 593.8 section 245.0962.

593.9 **(h) Payments to counties to reimburse**  
 593.10 **revenue loss.** \$2,000,000 in fiscal year 2024  
 593.11 and \$2,000,000 in fiscal year 2025 are for  
 593.12 payments to counties to reimburse the revenue  
 593.13 loss attributable to prohibiting counties, as the  
 593.14 financially responsible agency for a child  
 593.15 placed in foster care, from receiving  
 593.16 Supplemental Security Income on behalf of  
 593.17 the child placed in foster care during the time  
 593.18 the child is in foster care under Minnesota  
 593.19 Statutes, section 256N.26, subdivision 12.

593.20 **(h) Base level adjustment.** The general fund  
 593.21 base is \$91,001,000 in fiscal year 2026 and  
 593.22 \$91,001,000 in fiscal year 2027.

593.23 <b><u>Subd. 23. Grant Programs; Children and</u></b>		
593.24 <b><u>Community Service Grants</u></b>	<u>62,356,000</u>	<u>62,356,000</u>

593.25 <b><u>Subd. 24. Grant Programs; Children and</u></b>		
593.26 <b><u>Economic Support Grants</u></b>	<u>71,551,000</u>	<u>75,557,000</u>

593.27 **(a) Fraud prevention initiative start-up**  
 593.28 **grants.** \$400,000 in fiscal year 2024 is for  
 593.29 start-up grants to the Red Lake Nation, White  
 593.30 Earth Nation, and Mille Lacs Band of Ojibwe  
 593.31 to develop a fraud prevention program. This  
 593.32 is a onetime appropriation and is available  
 593.33 until June 30, 2025.

593.34 **(b) Grants to promote food security among**  
 593.35 **Tribal Nations and American Indian**

594.1 **communities. \$1,851,000 in fiscal year 2024**  
594.2 **and \$1,851,000 in fiscal year 2025 are for**  
594.3 **grants to support food security among Tribal**  
594.4 **Nations and American Indian communities**  
594.5 **under Minnesota Statutes, section 256E.341.**

594.6 **(c) Minnesota food shelf program grants.**  
594.7 **\$2,827,000 in fiscal year 2024 and \$2,827,000**  
594.8 **in fiscal year 2025 are for the Minnesota food**  
594.9 **shelf program under Minnesota Statutes,**  
594.10 **section 256E.34.**

594.11 **(d) Grant to CornerHouse children's**  
594.12 **advocacy center. \$315,000 in fiscal year 2024**  
594.13 **and \$315,000 in fiscal year 2025 are for a**  
594.14 **grant to CornerHouse children's advocacy**  
594.15 **center. The grant must be used to establish a**  
594.16 **child maltreatment prevention program serving**  
594.17 **rural, urban, and suburban communities across**  
594.18 **the state and to expand response services in**  
594.19 **Hennepin and Anoka Counties for children**  
594.20 **who have experienced maltreatment. This**  
594.21 **paragraph does not expire.**

594.22 **(e) Hennepin County homelessness grant**  
594.23 **program. \$5,095,000 in fiscal year 2025 is**  
594.24 **for a grant to Hennepin County under**  
594.25 **Minnesota Statutes, section 245.0966. The**  
594.26 **base for this appropriation is \$10,191,000 in**  
594.27 **fiscal year 2026 and \$10,191,000 in fiscal year**  
594.28 **2027.**

594.29 **(f) Diaper distribution grant program.**  
594.30 **\$500,000 in fiscal year 2024 and \$500,000 in**  
594.31 **fiscal year 2025 are for the diaper distribution**  
594.32 **grant program under Minnesota Statutes,**  
594.33 **section 256E.38.**

595.1 **(g) Prepared meals food relief. \$1,250,000**  
595.2 in fiscal year 2024 and \$1,250,000 in fiscal  
595.3 year 2025 are for prepared meals food relief  
595.4 grants under Minnesota Statutes, section  
595.5 256E.341.

595.6 **(h) Family supportive housing. \$4,000,000**  
595.7 in fiscal year 2024 and \$4,000,000 in fiscal  
595.8 year 2025 are for the grants under Minnesota  
595.9 Statutes, section 256K.50.

595.10 **(i) Chosen family grants. \$1,939,000 in fiscal**  
595.11 year 2024 is for grants to providers serving  
595.12 homeless youth and youth at risk of  
595.13 homelessness in Minnesota to establish or  
595.14 expand services that formalize situations  
595.15 where a caring adult whom a youth considers  
595.16 chosen family allows the youth to stay at the  
595.17 adult's residence to avoid being homeless. This  
595.18 is a onetime appropriation and is available  
595.19 until June 30, 2025.

595.20 **(j) Homeless youth cash stipend pilot**  
595.21 **project. \$3,000,000 in fiscal year 2024 and**  
595.22 **\$3,000,000 in fiscal year 2025 are for a grant**  
595.23 **to Youthprise for the homeless youth cash**  
595.24 **stipend pilot project. The grant must be used**  
595.25 **to provide cash stipends to homeless youth,**  
595.26 **provide cash incentives for stipend recipients**  
595.27 **to participate in periodic surveys, provide**  
595.28 **youth-designed optional services, and**  
595.29 **complete a legislative report. The general fund**  
595.30 **base for this appropriation is \$3,000,000 in**  
595.31 **fiscal year 2026, \$3,000,000 in fiscal year**  
595.32 **2027, and \$0 in fiscal year 2028 and thereafter.**

595.33 **(k) Olmsted County homelessness grant**  
595.34 **program. \$1,164,000 in fiscal year 2024 and**  
595.35 **\$1,164,000 in fiscal year 2025 are for a grant**

596.1 to Olmsted County under Minnesota Statutes,  
 596.2 section 245.0965.

596.3 **(l) Continuum of care grant program.**  
 596.4 \$6,595,000 in fiscal year 2024 and \$6,595,000  
 596.5 in fiscal year 2025 are for a grant to Ramsey  
 596.6 County for the Heading Home Ramsey  
 596.7 Continuum of Care under Minnesota Statutes,  
 596.8 section 245.0963. Of these amounts, ten  
 596.9 percent in fiscal year 2024 and ten percent in  
 596.10 fiscal year 2025 may be used by the grantee  
 596.11 for administrative expenses.

596.12 **(m) Base level adjustment.** The general fund  
 596.13 base is \$79,925,000 in fiscal year 2026 and  
 596.14 \$79,925,000 in fiscal year 2027.

596.15 **Subd. 25. Grant Programs; Health Care Grants**

	<u>Appropriations by Fund</u>	
596.16		
596.17	<u>General</u>	<u>7,561,000</u> <u>7,561,000</u>
596.18	<u>Health Care Access</u>	<u>3,465,000</u> <u>3,465,000</u>

596.19 **(a) Grant to Indian Health Board of**  
 596.20 **Minneapolis.** \$2,500,000 in fiscal year 2024  
 596.21 and \$2,500,000 in fiscal year 2025 are from  
 596.22 the general fund for a grant to the Indian  
 596.23 Health Board of Minneapolis to support  
 596.24 continued access to health care coverage  
 596.25 through medical assistance and  
 596.26 MinnesotaCare, improve access to quality  
 596.27 care, and increase vaccination rates among  
 596.28 urban American Indians. The general fund  
 596.29 base for this appropriation is \$2,500,000 in  
 596.30 fiscal year 2026 and \$0 in fiscal year 2027.

596.31 **(b) Base level adjustment.** The general fund  
 596.32 base is \$7,561,000 in fiscal year 2026 and  
 596.33 \$5,061,000 in fiscal year 2027.

597.1	<b><u>Subd. 26. Grant Programs; Housing Support</u></b>		
597.2	<b><u>Grants</u></b>		<u>18,364,000</u>
			<u>10,364,000</u>
597.3	<b><u>Subd. 27. Grant Programs; Adult Mental Health</u></b>		
597.4	<b><u>Grants</u></b>		
597.5	<u>Appropriations by Fund</u>		
597.6	<u>General</u>	<u>108,545,000</u>	<u>144,407,000</u>
597.7	<u>Opiate Epidemic</u>		
597.8	<u>Response</u>	<u>2,000,000</u>	<u>0</u>
597.9	<b><u>(a) Mobile crisis grants to Tribal Nations.</u></b>		
597.10	<u>\$1,000,000 in fiscal year 2024 and \$1,000,000</u>		
597.11	<u>in fiscal year 2025 are for mobile crisis grants</u>		
597.12	<u>under Minnesota Statutes section 245.4661,</u>		
597.13	<u>subdivision 9, paragraph (b), clause (15), to</u>		
597.14	<u>Tribal Nations.</u>		
597.15	<b><u>(b) Mental health provider supervision</u></b>		
597.16	<b><u>grant program. \$1,500,000 in fiscal year</u></b>		
597.17	<b><u>2024 and \$1,500,000 in fiscal year 2025 are</u></b>		
597.18	<b><u>for the mental health provider supervision</u></b>		
597.19	<b><u>grant program under Minnesota Statutes,</u></b>		
597.20	<b><u>section 245.4663.</u></b>		
597.21	<b><u>(c) Mental health professional scholarship</u></b>		
597.22	<b><u>grant program. \$750,000 in fiscal year 2024</u></b>		
597.23	<b><u>and \$750,000 in fiscal year 2025 are for the</u></b>		
597.24	<b><u>mental health professional scholarship grant</u></b>		
597.25	<b><u>program under Minnesota Statutes, section</u></b>		
597.26	<b><u>245.4664.</u></b>		
597.27	<b><u>(d) Minnesota State University, Mankato</u></b>		
597.28	<b><u>community behavioral health center.</u></b>		
597.29	<b><u>\$750,000 in fiscal year 2024 and \$750,000 in</u></b>		
597.30	<b><u>fiscal year 2025 are for a grant to the Center</u></b>		
597.31	<b><u>for Rural Behavioral Health at Minnesota State</u></b>		
597.32	<b><u>University, Mankato to establish a community</u></b>		
597.33	<b><u>behavioral health center and training clinic.</u></b>		
597.34	<b><u>The community behavioral health center must</u></b>		
597.35	<b><u>provide comprehensive, culturally specific,</u></b>		

598.1 trauma-informed, practice- and  
 598.2 evidence-based, person- and family-centered  
 598.3 mental health and substance use disorder  
 598.4 treatment services in Blue Earth County and  
 598.5 the surrounding region to individuals of all  
 598.6 ages, regardless of an individual's ability to  
 598.7 pay or place of residence. The community  
 598.8 behavioral health center and training clinic  
 598.9 must also provide training and workforce  
 598.10 development opportunities to students enrolled  
 598.11 in the university's training programs in the  
 598.12 fields of social work, counseling and student  
 598.13 personnel, alcohol and drug studies,  
 598.14 psychology, and nursing. Upon request, the  
 598.15 commissioner must make information  
 598.16 regarding the use of this grant funding  
 598.17 available to the chairs and ranking minority  
 598.18 members of the legislative committees with  
 598.19 jurisdiction over behavioral health. This is a  
 598.20 onetime appropriation.

598.21 (e) **Base level adjustment.** The general fund  
 598.22 base is \$123,797,000 in fiscal year 2026 and  
 598.23 \$123,797,000 in fiscal year 2027.

598.24 **Subd. 28. Grant Programs; Child Mental Health**  
 598.25 **Grants**

39,180,000

37,305,000

598.26 (a) **Psychiatric residential treatment facility**  
 598.27 **start-up grants.** \$1,000,000 in fiscal year  
 598.28 2024 and \$1,000,000 in fiscal year 2025 are  
 598.29 for psychiatric residential treatment facility  
 598.30 start-up grants under Minnesota Statutes,  
 598.31 section 256B.0941, subdivision 5.

598.32 (b) **Psychiatric residential treatment**  
 598.33 **facilities specialization grants.** \$1,050,000  
 598.34 in fiscal year 2024 and \$1,050,000 in fiscal  
 598.35 year 2025 are for psychiatric residential

599.1 treatment facilities specialization grants under  
599.2 Minnesota Statutes, section 256B.0941,  
599.3 subdivision 5.

599.4 **(c) Emerging mood disorder grants.**  
599.5 \$1,250,000 in fiscal year 2024 and \$1,250,000  
599.6 in fiscal year 2025 are for emerging mood  
599.7 disorder grants under Minnesota Statutes,  
599.8 section 245.4904, for evidence-informed  
599.9 interventions for youth and young adults who  
599.10 are at higher risk of developing a mood  
599.11 disorder or are already experiencing an  
599.12 emerging mood disorder.

599.13 **(d) Implementation grants for mobile**  
599.14 **response and stabilization services.**  
599.15 \$1,000,000 in fiscal year 2024 and \$1,000,000  
599.16 in fiscal year 2025 are for grants to implement  
599.17 the mobile response and stabilization services  
599.18 model to promote access to crisis response  
599.19 services, reduce admissions to psychiatric  
599.20 hospitals, and reduce out-of-home placement  
599.21 services.

599.22 **(e) Grants for infant and early childhood**  
599.23 **mental health consultations.** \$1,000,000 in  
599.24 fiscal year 2024 and \$1,000,000 in fiscal year  
599.25 2025 are for grants under Minnesota Statutes,  
599.26 section 245.4889, subdivision 1, paragraph  
599.27 (b), clause (14), for infant and early childhood  
599.28 mental health consultations throughout the  
599.29 state, including Tribal Nations for expertise  
599.30 in young children's development and early  
599.31 childhood services.

599.32 **(f) African American Child Wellness**  
599.33 **Institute.** \$1,000,000 in fiscal year 2024 and  
599.34 \$1,000,000 in fiscal year 2025 are for a grant  
599.35 to the African American Child Wellness

600.1 Institute to provide culturally specific mental  
 600.2 health and substance use disorder services  
 600.3 under Minnesota Statutes, section 245.0961.

600.4 **(g) Headway Emotional Health Services.**  
 600.5 \$300,000 in fiscal year 2024 and \$300,000 in  
 600.6 fiscal year 2025 are for a grant to Headway  
 600.7 Emotional Health Services for day treatment  
 600.8 transportation costs on nonschool days, student  
 600.9 nutrition, and student learning experiences  
 600.10 such as technology, arts, and outdoor activity.  
 600.11 This is a onetime appropriation.

600.12 **(h) Base level adjustment.** The general fund  
 600.13 base is \$37,005,000 in fiscal year 2026 and  
 600.14 \$37,005,000 in fiscal year 2027.

600.15 <b><u>Subd. 29. Grant Programs; Chemical</u></b>		
600.16 <b><u>Dependency Treatment Support Grants</u></b>	<u>2,350,000</u>	<u>1,350,000</u>

600.17 **Overdose prevention grants.** \$1,000,000 in  
 600.18 fiscal year 2024 is for a grant to the Steve  
 600.19 Rummler Hope Network for statewide  
 600.20 outreach, education, training, and distribution  
 600.21 of naloxone kits. Of this amount, 50 percent  
 600.22 of the money appropriated must be provided  
 600.23 to the Ka Joog nonprofit organization for  
 600.24 collaborative outreach in East African and  
 600.25 Somali communities in Minnesota. This is a  
 600.26 onetime appropriation and is available until  
 600.27 June 30, 2025.

600.28 <b><u>Subd. 30. Technical Activities</u></b>	<u>71,493,000</u>	<u>71,493,000</u>
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600.29 This appropriation is from the federal TANF  
 600.30 fund.

600.31 **Sec. 3. COMMISSIONER OF HEALTH**

600.32 <b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$ 432,670,000</u></b>	<b><u>\$ 421,959,000</u></b>
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600.33 <u>Appropriations by Fund</u>		
600.34	<u>2024</u>	<u>2025</u>



601.1	<u>General</u>	<u>285,869,000</u>	<u>268,018,000</u>
601.2	<u>State Government</u>		
601.3	<u>Special Revenue</u>	<u>83,373,000</u>	<u>85,902,000</u>
601.4	<u>Health Care Access</u>	<u>51,715,000</u>	<u>56,326,000</u>
601.5	<u>Federal TANF</u>	<u>11,713,000</u>	<u>11,713,000</u>

601.6 The amounts that may be spent for each  
 601.7 purpose are specified in the following  
 601.8 subdivisions.

601.9 **Subd. 2. Health Improvement**

601.10 Appropriations by Fund

601.11	<u>General</u>	<u>223,550,000</u>	<u>205,255,000</u>
601.12	<u>State Government</u>		
601.13	<u>Special Revenue</u>	<u>12,392,000</u>	<u>12,682,000</u>
601.14	<u>Health Care Access</u>	<u>51,715,000</u>	<u>56,326,000</u>
601.15	<u>Federal TANF</u>	<u>11,713,000</u>	<u>11,713,000</u>

601.16 **(a) Studies of telehealth expansion and**  
 601.17 **payment parity. \$1,200,000 in fiscal year**  
 601.18 **2024 is from the general fund for studies of**  
 601.19 **telehealth expansion and payment parity. This**  
 601.20 **is a onetime appropriation and is available**  
 601.21 **until June 30, 2025.**

601.22 **(b) Advancing equity through capacity**  
 601.23 **building and resource allocation grant**  
 601.24 **program. \$500,000 in fiscal year 2024 and**  
 601.25 **\$500,000 in fiscal year 2025 are from the**  
 601.26 **general fund for grants under Minnesota**  
 601.27 **Statutes, section 144.9821.**

601.28 **(c) Community health workers. \$971,000**  
 601.29 **in fiscal year 2024 and \$971,000 in fiscal year**  
 601.30 **2025 are from the general fund for grants**  
 601.31 **under Minnesota Statutes, section 144.1462.**

601.32 **(d) Community solutions for healthy child**  
 601.33 **development grants. \$3,678,000 in fiscal year**  
 601.34 **2024 and \$3,698,000 in fiscal year 2025 are**

- 602.1 from the general fund for grants under  
602.2 Minnesota Statutes, section 145.9257.
- 602.3 **(e) Cultural communications program.**  
602.4 \$1,724,000 in fiscal year 2024 and \$1,724,000  
602.5 in fiscal year 2025 are from the general fund  
602.6 for the cultural communications program  
602.7 established in Minnesota Statutes, section  
602.8 144.0752.
- 602.9 **(f) Emergency preparedness and response.**  
602.10 \$16,825,000 in fiscal year 2024 and  
602.11 \$16,662,000 in fiscal year 2025 are from the  
602.12 general fund for public health emergency  
602.13 preparedness and response, the sustainability  
602.14 of the strategic stockpile, and COVID-19  
602.15 pandemic response transition.
- 602.16 **(g) Family planning grants. \$7,900,000 in**  
602.17 fiscal year 2024 and \$7,900,000 in fiscal year  
602.18 2025 are from the general fund for grants  
602.19 under Minnesota Statutes, section 145.925.
- 602.20 **(h) Healthy Beginnings, Healthy Families.**  
602.21 \$5,250,000 in fiscal year 2024 and \$5,250,000  
602.22 in fiscal year 2025 are from the general fund  
602.23 for grants under Minnesota Statutes, section  
602.24 145.9571.
- 602.25 **(i) Help Me Connect. \$463,000 in fiscal year**  
602.26 2024 and \$921,000 in fiscal year 2025 are  
602.27 from the general fund for the Help Me  
602.28 Connect program under Minnesota Statutes,  
602.29 section 145.988.
- 602.30 **(j) Home visiting. \$9,250,000 in fiscal year**  
602.31 2024 and \$9,250,000 in fiscal year 2025 are  
602.32 from the general fund to start up or expand  
602.33 home visiting programs for priority

603.1 populations under Minnesota Statutes, section  
603.2 145.87.

603.3 **(k) No Surprises Act enforcement.**  
603.4 \$1,210,000 in fiscal year 2024 and \$1,090,000  
603.5 in fiscal year 2025 are from the general fund  
603.6 for implementation of the federal No Surprises  
603.7 Act under Minnesota Statutes, section  
603.8 62Q.021, and a statewide provider directory.  
603.9 The general fund base for this appropriation  
603.10 is \$855,000 in fiscal year 2026 and \$855,000  
603.11 in fiscal year 2027.

603.12 **(l) Office of African American Health.**  
603.13 \$1,000,000 in fiscal year 2024 and \$1,000,000  
603.14 in fiscal year 2025 are from the general fund  
603.15 for grants under the authority of the Office of  
603.16 African American Health under Minnesota  
603.17 Statutes, section 144.0756.

603.18 **(m) Office of American Indian Health.**  
603.19 \$1,000,000 in fiscal year 2024 and \$1,000,000  
603.20 in fiscal year 2025 are from the general fund  
603.21 for grants under the authority of the Office of  
603.22 American Indian Health under Minnesota  
603.23 Statutes, section 144.0757.

603.24 **(n) Public health system transformation**  
603.25 **grants. (1) \$9,844,000 in fiscal year 2024 and**  
603.26 **\$9,844,000 in fiscal year 2025 are from the**  
603.27 **general fund for grants under Minnesota**  
603.28 **Statutes, section 145A.131, subdivision 1,**  
603.29 **paragraph (f).**

603.30 **(2) \$535,000 in fiscal year 2024 and \$535,000**  
603.31 **in fiscal year 2025 are from the general fund**  
603.32 **for grants under Minnesota Statutes, section**  
603.33 **145A.14, subdivision 2, paragraph (b).**

604.1 (3) \$321,000 in fiscal year 2024 and \$321,000  
604.2 in fiscal year 2025 are from the general fund  
604.3 for grants under Minnesota Statutes, section  
604.4 144.0759.

604.5 (o) **Health care workforce.** (1) \$1,154,000  
604.6 in fiscal year 2024 and \$3,117,000 in fiscal  
604.7 year 2025 are from the health care access fund  
604.8 for rural training tracks and rural clinicals  
604.9 grants under Minnesota Statutes, section  
604.10 144.1508. The base for this appropriation is  
604.11 \$4,502,000 in fiscal year 2026 and \$4,502,000  
604.12 in fiscal year 2027.

604.13 (2) \$323,000 in fiscal year 2024 and \$323,000  
604.14 in fiscal year 2025 are from the health care  
604.15 access fund for immigrant international  
604.16 medical graduate training grants under  
604.17 Minnesota Statutes, section 144.1911.

604.18 (3) \$5,771,000 in fiscal year 2024 and  
604.19 \$5,147,000 in fiscal year 2025 are from the  
604.20 health care access fund for site-based clinical  
604.21 training grants under Minnesota Statutes,  
604.22 section 144.1505. The base for this  
604.23 appropriation is \$4,426,000 in fiscal year 2026  
604.24 and \$4,426,000 in fiscal year 2027.

604.25 (4) \$1,000,000 in fiscal year 2024 and  
604.26 \$1,000,000 in fiscal year 2025 are from the  
604.27 health care access fund for mental health  
604.28 grants for health care professional grants. This  
604.29 is a onetime appropriation and is available  
604.30 until June 30, 2027.

604.31 (5) \$2,500,000 in fiscal year 2024 and  
604.32 \$2,500,000 in fiscal year 2025 are from the  
604.33 health care access fund for health professionals  
604.34 loan forgiveness under Minnesota Statutes,

605.1 section 144.1501, subdivision 1, paragraph  
605.2 (h).

605.3 (6) \$708,000 in fiscal year 2024 and \$708,000  
605.4 in fiscal year 2025 are from the health care  
605.5 access fund for primary care employee  
605.6 recruitment education loan forgiveness under  
605.7 Minnesota Statutes, section 144.1504.

605.8 (7) \$350,000 in fiscal year 2024 and \$350,000  
605.9 in fiscal year 2025 are from the health care  
605.10 access fund for workforce research and data  
605.11 analysis of shortages, maldistribution of health  
605.12 care providers in Minnesota, and the factors  
605.13 that influence decisions of health care  
605.14 providers to practice in rural areas of  
605.15 Minnesota.

605.16 (p) **School health.** \$800,000 in fiscal year  
605.17 2024 and \$800,000 in fiscal year 2025 are  
605.18 from the general fund for grants under  
605.19 Minnesota Statutes, section 145.903.

605.20 (q) **Long COVID.** \$3,146,000 in fiscal year  
605.21 2024 and \$3,146,000 in fiscal year 2025 are  
605.22 from the general fund for grants and to  
605.23 implement Minnesota Statutes, section  
605.24 145.361.

605.25 (r) **Workplace violence prevention grants**  
605.26 **for health care entities.** \$4,400,000 in fiscal  
605.27 year 2024 is from the general fund for grants  
605.28 to health care entities to improve employee  
605.29 safety or security. This is a onetime  
605.30 appropriation and is available until June 30,  
605.31 2025.

605.32 (s) **Clinical dental education innovation**  
605.33 **grants.** \$1,122,000 in fiscal year 2024 and  
605.34 \$1,122,000 in fiscal year 2025 are from the

606.1 general fund for clinical dental education  
606.2 innovation grants under Minnesota Statutes,  
606.3 section 144.1913.

606.4 **(t) Skin-lightening products public**  
606.5 **awareness and education grant program.**  
606.6 \$200,000 in fiscal year 2024 is from the  
606.7 general fund for a grant to the Beautywell  
606.8 Project under Minnesota Statutes, section  
606.9 145.9275. This is a onetime appropriation.

606.10 **(u) Emmett Louis Till Victims Recovery**  
606.11 **Program. \$500,000 in fiscal year 2024 is from**  
606.12 **the general fund for a grant to the Emmett**  
606.13 **Louis Till Victims Recovery Program. The**  
606.14 **commissioner must not use any of this**  
606.15 **appropriation for administration. This is a**  
606.16 **onetime appropriation and is available until**  
606.17 **June 30, 2025.**

606.18 **(v) Federally qualified health centers**  
606.19 **apprenticeship program. \$750,000 in fiscal**  
606.20 **year 2024 and \$750,000 in fiscal year 2025**  
606.21 **are from the general fund for grants under**  
606.22 **Minnesota Statutes, section 145.9272, and for**  
606.23 **the study of the feasibility of establishing**  
606.24 **additional federally qualified health centers**  
606.25 **apprenticeship programs.**

606.26 **(w) Alzheimer's public information**  
606.27 **program. \$80,000 in fiscal year 2024 and**  
606.28 **\$80,000 in fiscal year 2025 are from the**  
606.29 **general fund for grants to community-based**  
606.30 **organizations to co-create culturally specific**  
606.31 **messages to targeted communities and to**  
606.32 **promote public awareness materials online**  
606.33 **through diverse media channels. This is a**  
606.34 **onetime appropriation and is available until**  
606.35 **June 30, 2027.**

607.1 **(x) African American Babies Coalition**  
607.2 **grant.** \$260,000 in fiscal year 2024 and  
607.3 \$260,000 in fiscal year 2025 are from the  
607.4 general fund for a grant to the Amherst H.  
607.5 Wilder Foundation for a grant under  
607.6 Minnesota Statutes, section 144.645, for the  
607.7 African American Babies Coalition initiative.

607.8 **(y) (1) Health professional loan forgiveness**  
607.9 **account.** \$8,792,000 in fiscal year 2024 is  
607.10 from the general fund for eligible mental  
607.11 health professional loan forgiveness under  
607.12 Minnesota Statutes, section 144.1501. This is  
607.13 a onetime appropriation.

607.14 **(2) Transfer.** The commissioner must transfer  
607.15 \$8,792,000 in fiscal year 2024 from the  
607.16 general fund to the health professional loan  
607.17 forgiveness account under Minnesota Statutes,  
607.18 section 144.1501, subdivision 2.

607.19 **(z) Primary care residency expansion grant**  
607.20 **program.** \$400,000 in fiscal year 2024 and  
607.21 \$400,000 in fiscal year 2025 are from the  
607.22 general fund for a psychiatry resident under  
607.23 Minnesota Statutes, section 144.1506.

607.24 **(aa) Pediatric primary care mental health**  
607.25 **training grant program.** \$1,000,000 in fiscal  
607.26 year 2024 and \$1,000,000 in fiscal year 2025  
607.27 are from the general fund for grants under  
607.28 Minnesota Statutes, section 144.1507.

607.29 **(bb) Mental health cultural community**  
607.30 **continuing education grant program.**  
607.31 \$500,000 in fiscal year 2024 and \$500,000 in  
607.32 fiscal year 2025 are from the general fund for  
607.33 grants under Minnesota Statutes, section  
607.34 144.1511.

608.1 **(cc) Labor trafficking services grant**  
608.2 **program. \$500,000 in fiscal year 2024 and**  
608.3 **\$500,000 in fiscal year 2025 are from the**  
608.4 **general fund for grants under Minnesota**  
608.5 **Statutes, section 144.3885.**

608.6 **(dd) Alzheimer's disease and dementia care**  
608.7 **training program. \$449,000 in fiscal year**  
608.8 **2025 and \$449,000 in fiscal year 2026 are to**  
608.9 **implement the Alzheimer's disease and**  
608.10 **dementia care training program under**  
608.11 **Minnesota Statutes, section 144.6504.**

608.12 **(ee) Grant to Minnesota Alliance for**  
608.13 **Volunteer Advancement. \$138,000 in fiscal**  
608.14 **year 2024 is from the general fund for a grant**  
608.15 **to the Minnesota Alliance for Volunteer**  
608.16 **Advancement to administer needs-based**  
608.17 **volunteerism subgrants targeting**  
608.18 **underresourced nonprofit organizations in**  
608.19 **greater Minnesota to support selected**  
608.20 **organizations' ongoing efforts to address and**  
608.21 **minimize disparities in access to human**  
608.22 **services through increased volunteerism.**  
608.23 **Subgrant applicants must demonstrate that the**  
608.24 **populations to be served by the subgrantee are**  
608.25 **underserved or suffer from or are at risk of**  
608.26 **homelessness, hunger, poverty, lack of access**  
608.27 **to health care, or deficits in education. The**  
608.28 **Minnesota Alliance for Volunteer**  
608.29 **Advancement must give priority to**  
608.30 **organizations that are serving the needs of**  
608.31 **vulnerable populations. This is a onetime**  
608.32 **appropriation and is available until June 30,**  
608.33 **2025.**

608.34 **(ff) Palliative Care Advisory Council.**  
608.35 **\$40,000 in fiscal year 2024 and \$40,000 in**



609.1 fiscal year 2025 are from the general fund for  
609.2 grants under Minnesota Statutes, section  
609.3 144.059.

609.4 **(gg) Universal health care system study.**  
609.5 \$1,815,000 in fiscal year 2024 and \$580,000  
609.6 in fiscal year 2025 are from the general fund  
609.7 for an economic analysis of benefits and costs  
609.8 of a universal health care system. The base for  
609.9 this appropriation is \$580,000 in fiscal year  
609.10 2026 and \$0 in fiscal year 2027.

609.11 **(hh) Study of the development of a statewide**  
609.12 **registry for provider orders for**  
609.13 **life-sustaining treatment. \$365,000 in fiscal**  
609.14 **year 2024 and \$365,000 in fiscal year 2025**  
609.15 **are from the general fund for a study of the**  
609.16 **development of a statewide registry for**  
609.17 **provider orders for life-sustaining treatment.**  
609.18 **This is a onetime appropriation.**

609.19 **(ii) 988 Suicide and crisis lifeline. \$4,000,000**  
609.20 **in fiscal year 2024 is from the general fund**  
609.21 **for 988 national suicide prevention lifeline**  
609.22 **grants under Minnesota Statutes, section**  
609.23 **145.561. This is a onetime appropriation.**

609.24 **(jj) Fetal and infant mortality case review**  
609.25 **committee. \$664,000 in fiscal year 2024 and**  
609.26 **\$875,000 in fiscal year 2025 are from the**  
609.27 **general fund for grants under Minnesota**  
609.28 **Statutes, section 145.9011.**

609.29 **(kk) Equitable Health Care Task Force.**  
609.30 **\$779,000 in fiscal year 2024 and \$749,000 in**  
609.31 **fiscal year 2025 are from the general fund for**  
609.32 **the Equitable Health Care Task Force. This is**  
609.33 **a onetime appropriation.**

610.1 **(ll) Medical education and research costs.**  
610.2 \$300,000 in fiscal year 2024 and \$300,000 in  
610.3 fiscal year 2025 are from the general fund for  
610.4 the medical education and research costs  
610.5 program under Minnesota Statutes, section  
610.6 62J.692.

610.7 **(mm) Special Guerilla Unit Veterans grant**  
610.8 **program.** \$250,000 in fiscal year 2024 and  
610.9 \$250,000 in fiscal year 2025 are from the  
610.10 general fund for a grant to the Special  
610.11 Guerrilla Units Veterans and Families of the  
610.12 United States of America under Minnesota  
610.13 Statutes, section 245.0964.

610.14 **(nn) TANF Appropriations.** (1) TANF funds  
610.15 must be used as follows:

610.16 (i) \$3,579,000 in fiscal year 2024 and  
610.17 \$3,579,000 in fiscal year 2025 are from the  
610.18 TANF fund for home visiting and nutritional  
610.19 services listed under Minnesota Statutes,  
610.20 section 145.882, subdivision 7, clauses (6) and  
610.21 (7). Funds must be distributed to community  
610.22 health boards according to Minnesota Statutes,  
610.23 section 145A.131, subdivision 1;

610.24 (ii) \$2,000,000 in fiscal year 2024 and  
610.25 \$2,000,000 in fiscal year 2025 are from the  
610.26 TANF fund for decreasing racial and ethnic  
610.27 disparities in infant mortality rates under  
610.28 Minnesota Statutes, section 145.928,  
610.29 subdivision 7;

610.30 (iii) \$4,978,000 in fiscal year 2024 and  
610.31 \$4,978,000 in fiscal year 2025 are from the  
610.32 TANF fund for the family home visiting grant  
610.33 program under Minnesota Statutes, section  
610.34 145A.17. \$4,000,000 of the funding in fiscal

611.1 year 2024 and \$4,000,000 in fiscal year 2025  
611.2 must be distributed to community health  
611.3 boards under Minnesota Statutes, section  
611.4 145A.131, subdivision 1. \$978,000 of the  
611.5 funding in fiscal year 2024 and \$978,000 in  
611.6 fiscal year 2025 must be distributed to Tribal  
611.7 governments under Minnesota Statutes, section  
611.8 145A.14, subdivision 2a;

611.9 (iv) \$1,156,000 in fiscal year 2024 and  
611.10 \$1,156,000 in fiscal year 2025 are from the  
611.11 TANF fund for family planning grants under  
611.12 Minnesota Statutes, section 145.925; and

611.13 (v) the commissioner may use up to 6.23  
611.14 percent of the funds appropriated from the  
611.15 TANF fund each fiscal year to conduct the  
611.16 ongoing evaluations required under Minnesota  
611.17 Statutes, section 145A.17, subdivision 7, and  
611.18 training and technical assistance as required  
611.19 under Minnesota Statutes, section 145A.17,  
611.20 subdivisions 4 and 5.

611.21 **(2) TANF Carryforward.** Any unexpended  
611.22 balance of the TANF appropriation in the first  
611.23 year does not cancel but is available in the  
611.24 second year.

611.25 **(oo) Base level adjustments.** The general  
611.26 fund base is \$202,758,000 in fiscal year 2026  
611.27 and \$202,699,000 in fiscal year 2027. The  
611.28 health care access fund base is \$56,361,000  
611.29 in fiscal year 2026 and \$55,761,000 in fiscal  
611.30 year 2027.

611.31 **Subd. 3. Health Protection**

611.32	<u>Appropriations by Fund</u>	
611.33	<u>General</u>	<u>43,827,000</u> <u>44,358,000</u>
611.34	<u>State Government</u>	
611.35	<u>Special Revenue</u>	<u>70,981,000</u> <u>73,220,000</u>

612.1 (a) **Climate resiliency.** \$6,000,000 in fiscal  
612.2 year 2024 and \$6,000,000 in fiscal year 2025  
612.3 are from the general fund for grants under  
612.4 Minnesota Statutes, section 144.9981. The  
612.5 base for this appropriation is \$1,500,000 in  
612.6 fiscal year 2026 and \$1,500,000 in fiscal year  
612.7 2027.

612.8 (b) **Homeless mortality study.** \$134,000 in  
612.9 fiscal year 2024 and \$149,000 in fiscal year  
612.10 2025 are from the general fund for a homeless  
612.11 mortality study. The general fund base for this  
612.12 appropriation is \$104,000 in fiscal year 2026  
612.13 and \$0 in fiscal year 2027.

612.14 (c) **Lead remediation in schools and child**  
612.15 **care settings.** \$146,000 in fiscal year 2024  
612.16 and \$239,000 in fiscal year 2025 are from the  
612.17 general fund for grants under Minnesota  
612.18 Statutes, section 145.9272.

612.19 (d) **MinnesotaOne Health Antimicrobial**  
612.20 **Stewardship Collaborative.** \$312,000 in  
612.21 fiscal year 2024 and \$312,000 in fiscal year  
612.22 2025 are from the general fund for the  
612.23 Minnesota One Health Antibiotic Stewardship  
612.24 Collaborative under Minnesota Statutes,  
612.25 section 144.0526.

612.26 (e) **Strengthening public drinking water**  
612.27 **systems infrastructure.** \$4,420,000 in fiscal  
612.28 year 2024 and \$4,420,000 in fiscal year 2025  
612.29 are from the general fund for grants under  
612.30 Minnesota Statutes, section 144.3832. The  
612.31 base for this appropriation is \$1,580,000 in  
612.32 fiscal year 2026 and \$1,580,000 in fiscal year  
612.33 2027.

613.1 **(f) HIV prevention health equity. \$1,264,000**  
 613.2 in fiscal year 2024 and \$1,264,000 in fiscal  
 613.3 year 2025 are from the general fund for equity  
 613.4 in HIV prevention. This is a onetime  
 613.5 appropriation.

613.6 **(g) Green burials study and report. \$79,000**  
 613.7 in fiscal year 2024 is from the general fund  
 613.8 for a study and report on green burials. This  
 613.9 is a onetime appropriation.

613.10 **(h) Base level adjustments. The general fund**  
 613.11 base is \$34,020,000 in fiscal year 2026 and  
 613.12 \$33,916,000 in fiscal year 2027.

613.13 **Subd. 4. Health Operations** 18,492,000 18,405,000

613.14 Notwithstanding Minnesota Statutes, section  
 613.15 16E.21, subdivision 4, the amount transferred  
 613.16 to the information and telecommunications  
 613.17 account under Minnesota Statutes, section  
 613.18 16E.21, subdivision 2, for the business process  
 613.19 automation and external website  
 613.20 modernization projects approved by the  
 613.21 Legislative Advisory Commission on June 24,  
 613.22 2019, is available until June 30, 2024.

613.23 **Sec. 4. HEALTH-RELATED BOARDS**

613.24 **Subdivision 1. Total Appropriation** \$ 32,160,000 \$ 32,166,000

613.25 Appropriations by Fund

613.26 General 1,222,000 468,000

613.27 State Government

613.28 Special Revenue 30,862,000 31,660,000

613.29 Health Care Access 76,000 38,000

613.30 The amounts that may be spent for each  
 613.31 purpose are specified in the following  
 613.32 subdivisions.

614.1	<b><u>Subd. 2. Board of Behavioral Health and</u></b>		
614.2	<b><u>Therapy</u></b>	<u>1,022,000</u>	<u>1,044,000</u>
614.3	<b><u>Subd. 3. Board of Chiropractic Examiners</u></b>	<u>773,000</u>	<u>790,000</u>
614.4	<b><u>Subd. 4. Board of Dentistry</u></b>	<u>4,100,000</u>	<u>4,163,000</u>
614.5	<b><u>(a) Administrative services unit; operating</u></b>		
614.6	<b><u>costs. Of this appropriation, \$1,936,000 in</u></b>		
614.7	<b><u>fiscal year 2024 and \$1,960,000 in fiscal year</u></b>		
614.8	<b><u>2025 are for operating costs of the</u></b>		
614.9	<b><u>administrative services unit. The</u></b>		
614.10	<b><u>administrative services unit may receive and</u></b>		
614.11	<b><u>expend reimbursements for services it</u></b>		
614.12	<b><u>performs for other agencies.</u></b>		
614.13	<b><u>(b) Administrative services unit; volunteer</u></b>		
614.14	<b><u>health care provider program. Of this</u></b>		
614.15	<b><u>appropriation, \$150,000 in fiscal year 2024</u></b>		
614.16	<b><u>and \$150,000 in fiscal year 2025 are to pay</u></b>		
614.17	<b><u>for medical professional liability coverage</u></b>		
614.18	<b><u>required under Minnesota Statutes, section</u></b>		
614.19	<b><u>214.40.</u></b>		
614.20	<b><u>(c) Administrative services unit; retirement</u></b>		
614.21	<b><u>costs. Of this appropriation, \$237,000 in fiscal</u></b>		
614.22	<b><u>year 2024 and \$237,000 in fiscal year 2025</u></b>		
614.23	<b><u>are for the administrative services unit to pay</u></b>		
614.24	<b><u>for the retirement costs of health-related board</u></b>		
614.25	<b><u>employees. This funding may be transferred</u></b>		
614.26	<b><u>to the health board incurring retirement costs.</u></b>		
614.27	<b><u>Any board that has an unexpended balance for</u></b>		
614.28	<b><u>an amount transferred under this paragraph</u></b>		
614.29	<b><u>shall transfer the unexpended amount to the</u></b>		
614.30	<b><u>administrative services unit. If the amount</u></b>		
614.31	<b><u>appropriated in the first year of the biennium</u></b>		
614.32	<b><u>is not sufficient, the amount from the second</u></b>		
614.33	<b><u>year of the biennium is available.</u></b>		
614.34	<b><u>(d) Administrative services unit; contested</u></b>		
614.35	<b><u>cases and other legal proceedings. Of this</u></b>		

615.1 appropriation, \$200,000 in fiscal year 2024  
 615.2 and \$200,000 in fiscal year 2025 are for costs  
 615.3 of contested case hearings and other  
 615.4 unanticipated costs of legal proceedings  
 615.5 involving health-related boards under this  
 615.6 section. Upon certification by a health-related  
 615.7 board to the administrative services unit that  
 615.8 unanticipated costs for legal proceedings will  
 615.9 be incurred and that available appropriations  
 615.10 are insufficient to pay for the unanticipated  
 615.11 costs for that board, the administrative services  
 615.12 unit is authorized to transfer money from this  
 615.13 appropriation to the board for payment of costs  
 615.14 for contested case hearings and other  
 615.15 unanticipated costs of legal proceedings with  
 615.16 the approval of the commissioner of  
 615.17 management and budget. The commissioner  
 615.18 of management and budget must require any  
 615.19 board that has an unexpended balance or an  
 615.20 amount transferred under this paragraph to  
 615.21 transfer the unexpended amount to the  
 615.22 administrative services unit to be deposited in  
 615.23 the state government special revenue fund.

615.24	<b><u>Subd. 5. Board of Dietetics and Nutrition</u></b>		
615.25	<b><u>Practice</u></b>	<u>213,000</u>	<u>217,000</u>
615.26	<b><u>Subd. 6. Board of Executives for Long-term</u></b>		
615.27	<b><u>Services and Supports</u></b>	<u>705,000</u>	<u>736,000</u>
615.28	<b><u>Subd. 7. Board of Marriage and Family Therapy</u></b>	<u>443,000</u>	<u>456,000</u>
615.29	<b><u>Subd. 8. Board of Medical Practice</u></b>	<u>5,779,000</u>	<u>5,971,000</u>
615.30	<b><u>Subd. 9. Board of Nursing</u></b>	<u>6,039,000</u>	<u>6,275,000</u>
615.31	<b><u>Subd. 10. Board of Occupational Therapy</u></b>		
615.32	<b><u>Practice</u></b>	<u>480,000</u>	<u>480,000</u>
615.33	<b><u>Subd. 11. Board of Optometry</u></b>	<u>270,000</u>	<u>280,000</u>
615.34	<b><u>Subd. 12. Board of Pharmacy</u></b>		

616.1	<u>Appropriations by Fund</u>		
616.2	<u>General</u>	<u>1,222,000</u>	<u>468,000</u>
616.3	<u>State Government</u>		
616.4	<u>Special Revenue</u>	<u>5,328,000</u>	<u>5,309,000</u>
616.5	<u>Health Care Access</u>	<u>76,000</u>	<u>38,000</u>
616.6	<b><u>(a) Prescription monitoring program.</u></b>		
616.7	<u>\$754,000 fiscal year 2024 is from the general</u>		
616.8	<u>fund for the Minnesota prescription</u>		
616.9	<u>monitoring program under Minnesota Statutes,</u>		
616.10	<u>section 152.126. This is a onetime</u>		
616.11	<u>appropriation and is available until June 30,</u>		
616.12	<u>2025.</u>		
616.13	<b><u>(b) Medication repository program.</u></b>		
616.14	<u>\$450,000 in fiscal year 2024 and \$450,000 in</u>		
616.15	<u>fiscal year 2025 are from the general fund for</u>		
616.16	<u>a contract under Minnesota Statutes, section</u>		
616.17	<u>151.555.</u>		
616.18	<b><u>(c) Base level adjustment.</u></b> The state		
616.19	<u>government special revenue fund base is</u>		
616.20	<u>\$5,159,000 in fiscal year 2026 and \$5,159,000</u>		
616.21	<u>in fiscal year 2027. The health care access</u>		
616.22	<u>fund base is \$0 in fiscal year 2026 and \$0 in</u>		
616.23	<u>fiscal year 2027.</u>		
616.24	<u>Subd. 13. <b>Board of Physical Therapy</b></u>	<u>678,000</u>	<u>694,000</u>
616.25	<u>Subd. 14. <b>Board of Podiatric Medicine</b></u>	<u>253,000</u>	<u>257,000</u>
616.26	<u>Subd. 15. <b>Board of Psychology</b></u>	<u>2,618,000</u>	<u>2,734,000</u>
616.27	<b><u>Health professionals service program. This</u></b>		
616.28	<u>appropriation includes \$1,234,000 in fiscal</u>		
616.29	<u>year 2024 and \$1,324,000 in fiscal year 2025</u>		
616.30	<u>for the health professional services program.</u>		
616.31	<u>Subd. 16. <b>Board of Social Work</b></u>	<u>1,779,000</u>	<u>1,839,000</u>
616.32	<u>Subd. 17. <b>Board of Veterinary Medicine</b></u>	<u>382,000</u>	<u>415,000</u>



617.1 **Base adjustment.** The state government  
 617.2 special revenue fund base is \$461,000 in fiscal  
 617.3 year 2026 and \$461,000 in fiscal year 2027.

617.4 Sec. 5. **EMERGENCY MEDICAL SERVICES**  
 617.5 **REGULATORY BOARD**

\$ **6,800,000** \$ **6,176,000**

617.6 **(a) Cooper/Sams volunteer ambulance**

617.7 **program.** \$950,000 in fiscal year 2024 and  
 617.8 \$950,000 in fiscal year 2025 are for the  
 617.9 Cooper/Sams volunteer ambulance program  
 617.10 under Minnesota Statutes, section 144E.40.

617.11 (1) Of this amount, \$861,000 in fiscal year  
 617.12 2024 and \$861,000 in fiscal year 2025 are for  
 617.13 the ambulance service personnel longevity  
 617.14 award and incentive program under Minnesota  
 617.15 Statutes, section 144E.40.

617.16 (2) Of this amount, \$89,000 in fiscal year 2024  
 617.17 and \$89,000 in fiscal year 2025 are for  
 617.18 operations of the ambulance service personnel  
 617.19 longevity award and incentive program under  
 617.20 Minnesota Statutes, section 144E.40.

617.21 **(b) Operations.** \$2,421,000 in fiscal year 2024  
 617.22 and \$2,480,000 in fiscal year 2025 are for  
 617.23 board operations.

617.24 **(c) Regional emergency medical services**  
 617.25 **programs.** \$800,000 in fiscal year 2024 and  
 617.26 \$800,000 in fiscal year 2025 are for grants to  
 617.27 regional emergency medical services programs  
 617.28 to be distributed among the eight emergency  
 617.29 medical services regions according to  
 617.30 Minnesota Statutes, section 144E.50.

617.31 **(d) Regional grants for continuing**  
 617.32 **education.** \$585,000 in fiscal year 2024 and  
 617.33 \$585,000 in fiscal year 2025 are for regional  
 617.34 emergency medical services programs to be

618.1 distributed equally to the eight emergency  
 618.2 medical service regions under Minnesota  
 618.3 Statutes, section 144E.52.

618.4 (e) Ambulance training grants. \$361,000 in  
 618.5 fiscal year 2024 and \$361,000 in fiscal year  
 618.6 2025 are for training grants under Minnesota  
 618.7 Statutes, section 144E.35.

618.8 (f) Medical resource communication center  
 618.9 grants. \$1,633,000 in fiscal year 2024 and  
 618.10 \$970,000 in fiscal year 2025 are for medical  
 618.11 resource communication center grants under  
 618.12 Minnesota Statutes, section 144E.53.

618.13	Sec. 6. <b><u>OMBUDSPERSON FOR FAMILIES</u></b>	\$	<b><u>759,000</u></b>	\$	<b><u>776,000</u></b>
618.14	Sec. 7. <b><u>OMBUDSPERSON FOR AMERICAN</u></b>				
618.15	<b><u>INDIAN FAMILIES</u></b>	\$	<b><u>336,000</u></b>	\$	<b><u>340,000</u></b>
618.16	Sec. 8. <b><u>OFFICE OF THE FOSTER YOUTH</u></b>				
618.17	<b><u>OMBUDSPERSON</u></b>	\$	<b><u>742,000</u></b>	\$	<b><u>759,000</u></b>

618.18 Sec. 9. **MNSURE**

618.19	<u>Appropriations by Fund</u>				
618.20	<u>General</u>	<u>29,447,000</u>	<u>45,526,000</u>		
618.21	<u>Health Care Access</u>	<u>2,270,000</u>	<u>1,470,000</u>		

618.22 (a) Technology Modernization. \$11,025,000  
 618.23 in fiscal year 2024 and \$10,726,000 in fiscal  
 618.24 year 2025 are from the general fund to  
 618.25 establish a single end-to-end information  
 618.26 technology system with seamless, real-time  
 618.27 interoperability between qualified health plan  
 618.28 eligibility and enrollment services. The base  
 618.29 for this appropriation is \$3,521,000 in fiscal  
 618.30 year 2026 and \$0 in fiscal year 2027.

618.31 (b) Easy Enrollment. \$70,000 in fiscal year  
 618.32 2024 and \$70,000 in fiscal year 2025 are from  
 618.33 the general fund to implement easy enrollment.

619.1 **(c) Transfer.** The Board of Directors of  
 619.2 MNsure must transfer \$11,095,000 in fiscal  
 619.3 year 2024 and \$14,996,000 in fiscal year 2025  
 619.4 from the general fund to the enterprise account  
 619.5 under Minnesota Statutes, section 62V.07. The  
 619.6 base for this transfer is \$3,591,000 in fiscal  
 619.7 year 2026 and \$70,000 in fiscal year 2027.

619.8 **(d) Minnesota insulin safety net public**  
 619.9 **awareness campaign.** \$800,000 in fiscal year  
 619.10 2024 is from the health care access fund for a  
 619.11 public awareness campaign for the insulin  
 619.12 safety net program under Minnesota Statutes,  
 619.13 section 151.74. This is a onetime appropriation  
 619.14 and is available until June 30, 2025.

619.15 **(e) Cost-sharing reduction program.**  
 619.16 \$15,000,000 in fiscal year 2024 and  
 619.17 \$30,000,000 in fiscal year 2025 are from the  
 619.18 general fund to implement the cost-sharing  
 619.19 reduction program under Minnesota Statutes,  
 619.20 section 62V.12.

619.21 **(f) Base level adjustment.** The general fund  
 619.22 base is \$36,621,000 in fiscal year 2026 and  
 619.23 \$35,600,000 in fiscal year 2027.

619.24 Sec. 10. <b><u>RARE DISEASE ADVISORY</u></b>					
619.25 <b><u>COUNCIL</u></b>	\$	<b><u>654,000</u></b>	\$	<b><u>602,000</u></b>	

619.26 Sec. 11. <b><u>COMMISSIONER OF REVENUE</u></b>					
	\$	<b><u>40,000</u></b>	\$	<b><u>4,000</u></b>	

619.27 **Easy enrollment.** \$40,000 in fiscal year 2024  
 619.28 and \$4,000 in fiscal year 2025 are for the  
 619.29 administrative costs associated with the easy  
 619.30 enrollment program.

619.31 Sec. 12. <b><u>COMMISSIONER OF</u></b>					
619.32 <b><u>MANAGEMENT AND BUDGET</u></b>	\$	<b><u>12,231,000</u></b>	\$	<b><u>2,366,000</u></b>	

620.1 (a) \$300,000 in fiscal year 2024 and \$300,000  
 620.2 in fiscal year 2025 are for outcomes and  
 620.3 evaluation consultation requirements.

620.4 (b) \$11,931,000 in fiscal year 2024 and  
 620.5 \$2,066,000 in fiscal year 2025 are to establish  
 620.6 the Department of Children, Youth, and  
 620.7 Families. This is a onetime appropriation.

620.8 (c) **Base adjustment.** The general fund base  
 620.9 is \$300,000 in fiscal year 2026 and \$300,000  
 620.10 in fiscal year 2027.

620.11	Sec. 13. <b><u>COMMISSIONER OF CHILDREN,</u></b>			
620.12	<b><u>YOUTH, AND FAMILIES</u></b>	\$	<b><u>823,000</u></b>	\$ <b><u>3,521,000</u></b>

620.13	Sec. 14. <b><u>COMMISSIONER OF COMMERCE</u></b>	\$	<b><u>42,000</u></b>	\$ <b><u>51,000</u></b>
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620.14 (a) **Heath Care Affordability Board**  
 620.15 **Requirements.** \$42,000 in fiscal year 2024  
 620.16 and \$17,000 in fiscal year 2025 are for  
 620.17 responsibilities related to the Health Care  
 620.18 Affordability Board.

620.19 (b) **Defrayal of costs for mandated coverage**  
 620.20 **of biomarker testing.** \$17,000 in fiscal year  
 620.21 2025 is for administrative costs to implement  
 620.22 mandated coverage of biomarker testing to  
 620.23 diagnose, treat, manage, and monitor illness  
 620.24 or disease. The base for this appropriation is  
 620.25 \$2,611,000 in fiscal year 2026 and \$2,611,000  
 620.26 in fiscal year 2027. The base includes  
 620.27 \$2,594,000 in fiscal year 2026 and \$2,594,000  
 620.28 in fiscal year 2027 for defrayal of costs for  
 620.29 mandated coverage of biomarker testing to  
 620.30 diagnose, treat, manage, and monitor illness  
 620.31 or disease.

620.32 (c) **Consultation for coverage of services**  
 620.33 **provided by pharmacists.** \$17,000 in fiscal  
 620.34 year 2025 is for consultation with health plan

621.1 companies, pharmacies, and pharmacy benefit  
 621.2 managers to develop guidance and implement  
 621.3 equal coverage for services provided by  
 621.4 pharmacists. This is a onetime appropriation.

621.5 (d) **Base adjustment.** The general fund base  
 621.6 is \$2,628,000 in fiscal year 2026 and  
 621.7 \$2,628,000 in fiscal year 2027.

621.8 **Sec. 15. HEALTH CARE AFFORDABILITY**  
 621.9 **BOARD**

**\$ 1,336,000 \$ 1,727,000**

621.10 **Base adjustment.** The general fund base is  
 621.11 \$1,793,000 in fiscal year 2026 and \$1,790,000  
 621.12 in fiscal year 2027.

621.13 **Sec. 16. TRANSFERS.**

621.14 Subdivision 1. **Grants.** The commissioner of human services, with the approval of the  
 621.15 commissioner of management and budget, may transfer unencumbered appropriation balances  
 621.16 for the biennium ending June 30, 2025, within fiscal years among the MFIP; general  
 621.17 assistance; medical assistance; MinnesotaCare; MFIP child care assistance under Minnesota  
 621.18 Statutes, section 119B.05; Minnesota supplemental aid program; group residential housing  
 621.19 program; the entitlement portion of Northstar Care for Children under Minnesota Statutes,  
 621.20 chapter 256N; and the entitlement portion of the behavioral health fund between fiscal years  
 621.21 of the biennium. The commissioner shall inform the chairs and ranking minority members  
 621.22 of the legislative committees with jurisdiction over health and human services quarterly  
 621.23 about transfers made under this subdivision.

621.24 Subd. 2. **Administration.** Positions, salary money, and nonsalary administrative money  
 621.25 may be transferred within the Department of Human Services and the Department of Health  
 621.26 as the commissioners consider necessary, with the advance approval of the commissioner  
 621.27 of management and budget. The commissioners shall inform the chairs and ranking minority  
 621.28 members of the legislative committees with jurisdiction over health and human services  
 621.29 finance quarterly about transfers made under this section.

621.30 **Sec. 17. INDIRECT COSTS NOT TO FUND PROGRAMS.**

621.31 The commissioner of health shall not use indirect cost allocations to pay for the  
 621.32 operational costs of any program for which they are responsible.

622.1 **Sec. 18. EXPIRATION OF UNCODIFIED LANGUAGE.**

622.2 All uncodified language contained in this article expires on June 30, 2025, unless a  
 622.3 different expiration date is explicit."

622.4 Delete the title and insert:

622.5 "A bill for an act

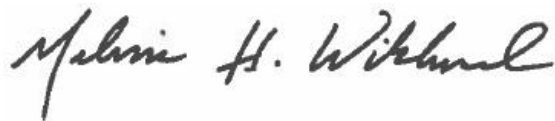
622.6 relating to state government; modifying provisions governing child care, child  
 622.7 safety and permanency, child support, economic assistance, deep poverty, housing  
 622.8 and homelessness, behavioral health, the medical education and research cost  
 622.9 account, MinnesotaCare, medical assistance, background studies, and human  
 622.10 services licensing; establishing the Department of Children, Youth, and Families;  
 622.11 making technical and conforming changes; establishing requirements for hospital  
 622.12 nurse staffing committees and hospital nurse workload committees; modifying  
 622.13 requirements of hospital core staffing plans; modifying requirements related to  
 622.14 hospital preparedness and incident response action plans to acts of violence;  
 622.15 modifying eligibility for the health professional education loan forgiveness program;  
 622.16 establishing the Health Care Affordability Board and Health Care Affordability  
 622.17 Advisory Council; establishing prescription contraceptive supply requirement;  
 622.18 requiring health plan coverage of prescription contraceptives, certain services  
 622.19 provided by a pharmacist, infertility treatment, treatment of rare diseases and  
 622.20 conditions, and biomarker testing; modifying managed care withhold requirements;  
 622.21 establishing filing requirements for a health plan's prescription drug formulary  
 622.22 and for items and services provided by medical and dental practices; establishing  
 622.23 notice and disclosure requirements for certain health care transactions; extending  
 622.24 moratorium on certain conversion transactions; requiring disclosure of facility fees  
 622.25 for telehealth; modifying provisions relating to the eligibility of undocumented  
 622.26 children for MinnesotaCare and of children for medical assistance; prohibiting a  
 622.27 medical assistance benefit plan from including cost-sharing provisions; authorizing  
 622.28 a MinnesotaCare buy-in option; assessing alternative payment methods in rural  
 622.29 health care; assessing feasibility for a health provider directory; requiring  
 622.30 compliance with the No Surprises Act in billing; modifying prescription drug price  
 622.31 provisions and continuity of care provisions; compiling health encounter data;  
 622.32 modifying all-payer claims data provisions; establishing certain advisory councils,  
 622.33 committees, public awareness campaigns, apprenticeship programs, and grant  
 622.34 programs; modifying lead testing and remediation requirements; establishing  
 622.35 Minnesota One Health Microbial Stewardship Collaborative and cultural  
 622.36 communications program; providing for clinical health care training; establishing  
 622.37 a climate resiliency program; changing assisted living provisions; establishing a  
 622.38 program to monitor long COVID, a 988 suicide crisis lifeline, school-based health  
 622.39 centers, Healthy Beginnings, Healthy Families Act, and Comprehensive and  
 622.40 Collaborative Resource and Referral System for Children; establishing a  
 622.41 moratorium on green burials; regulating submerged closed loop exchanger systems;  
 622.42 establishing a tobacco use prevention account; amending provisions relating to  
 622.43 adoptee birth records access; establishing Office of African American Health;  
 622.44 establishing Office of American Indian Health; changing certain health board fees;  
 622.45 establishing easy enrollment health insurance outreach program; establishing a  
 622.46 state-funded cost-sharing reduction program for eligible persons enrolled in certain  
 622.47 qualified health plans; setting certain fees; requiring reports; authorizing attorney  
 622.48 general and commissioner of health review and enforcement of certain health care  
 622.49 transactions; authorizing rulemaking; transferring money; allocating funds for a  
 622.50 specific purpose; making forecast adjustments; appropriating money for the  
 622.51 Department of Human Services, Department of Health, health-related boards,  
 622.52 emergency medical services regulatory board, ombudsperson for families,  
 622.53 ombudsperson for American Indian families, Office of the Foster Youth  
 622.54 Ombudsperson, Rare Disease Advisory Council, the Department of Revenue, the

623.1 Department of Management and Budget, Department of Children, Youth and  
 623.2 Families, Department of Commerce, and Health Care Affordability Board;  
 623.3 amending Minnesota Statutes 2022, sections 4.045; 10.65, subdivision 2; 13.10,  
 623.4 subdivision 5; 13.46, subdivision 4; 13.465, subdivision 8; 15.01; 15.06, subdivision  
 623.5 1; 15A.0815, subdivision 2; 16A.151, subdivision 2; 43A.08, subdivision 1a;  
 623.6 62A.02, subdivision 1; 62A.045; 62A.15, subdivision 4, by adding a subdivision;  
 623.7 62A.30, by adding subdivisions; 62A.673, subdivision 2; 62J.497, subdivisions  
 623.8 1, 3; 62J.692, subdivisions 1, 3, 4, 5, 8; 62J.824; 62J.84, subdivisions 2, 3, 4, 6,  
 623.9 7, 8, 9, by adding subdivisions; 62K.10, subdivision 4; 62K.15; 62U.04,  
 623.10 subdivisions 4, 5, 5a, 11, by adding subdivisions; 62U.10, subdivision 7; 103I.005,  
 623.11 subdivisions 17a, 20a, by adding a subdivision; 119B.011, subdivisions 2, 5, 13,  
 623.12 19a; 119B.025, subdivision 4; 119B.03, subdivision 4a; 119B.125, subdivisions  
 623.13 1, 1a, 1b, 2, 3, 4, 6, 7; 119B.13, subdivisions 1, 6; 119B.16, subdivisions 1c, 3;  
 623.14 119B.161, subdivisions 2, 3; 119B.19, subdivision 7; 121A.335, subdivisions 3,  
 623.15 5, by adding a subdivision; 144.05, by adding a subdivision; 144.122; 144.1501,  
 623.16 subdivisions 1, 2, 3, 4, 5; 144.1506, subdivision 4; 144.218, subdivisions 1, 2;  
 623.17 144.225, subdivision 2; 144.2252; 144.226, subdivisions 3, 4; 144.566; 144.608,  
 623.18 subdivision 1; 144.651, by adding a subdivision; 144.653, subdivision 5; 144.7055;  
 623.19 144.7067, subdivision 1; 144.9501, subdivision 9; 144E.001, subdivision 1, by  
 623.20 adding a subdivision; 144E.35; 145.4716, subdivision 3; 145.87, subdivision 4;  
 623.21 145.924; 145A.131, subdivisions 1, 2, 5; 145A.14, by adding a subdivision;  
 623.22 147A.08; 148B.392, subdivision 2; 150A.08, subdivisions 1, 5; 150A.091, by  
 623.23 adding a subdivision; 150A.13, subdivision 10; 151.065, subdivisions 1, 2, 3, 4,  
 623.24 6; 151.071, subdivision 2; 151.555; 151.74, subdivisions 3, 4; 152.126, subdivisions  
 623.25 4, 5, 6, 9; 245.095; 245.4663, subdivision 4; 245.4889, subdivision 1; 245A.02,  
 623.26 subdivision 2c; 245A.04, subdivisions 1, 7a; 245A.05; 245A.055, subdivision 2;  
 623.27 245A.06, subdivisions 1, 2, 4; 245A.07, subdivision 3; 245A.16, by adding a  
 623.28 subdivision; 245A.50, subdivisions 3, 4, 5, 6, 9; 245C.02, subdivision 13e; 245C.04,  
 623.29 subdivision 1; 245C.05, subdivisions 1, 2c, 4; 245C.10, subdivisions 2, 3, 4, 5, 6,  
 623.30 8, 9, 9a, 10, 11, 12, 13, 14, 16, 17, 20, 21, by adding a subdivision; 245C.17,  
 623.31 subdivisions 2, 3, 6; 245C.22, subdivision 7; 245C.23, subdivisions 1, 2; 245C.32,  
 623.32 subdivision 2; 245G.03, subdivision 1; 245H.03, subdivisions 2, 4; 245H.06,  
 623.33 subdivisions 1, 2; 245H.07, subdivisions 1, 2; 245I.011, subdivision 3; 245I.20,  
 623.34 subdivisions 10, 13, 14, 16; 254B.02, subdivision 5; 256.01, by adding a  
 623.35 subdivision; 256.014, subdivisions 1, 2; 256.046, subdivision 3; 256.0471,  
 623.36 subdivision 1; 256.962, subdivision 5; 256.969, subdivisions 2b, 9, 25, by adding  
 623.37 a subdivision; 256.983, subdivision 5; 256B.04, by adding a subdivision; 256B.055,  
 623.38 subdivision 17; 256B.056, subdivision 7; 256B.0625, subdivisions 9, 13, 13c, 13f,  
 623.39 13g, 28b, 30, 31, 34, 49, by adding subdivisions; 256B.0631, subdivision 2, by  
 623.40 adding a subdivision; 256B.0941, by adding a subdivision; 256B.196, subdivision  
 623.41 2; 256B.69, subdivisions 4, 5a, 6d, 28, 36; 256B.692, subdivision 1; 256B.75;  
 623.42 256B.758; 256B.76, subdivisions 1, 2, 4; 256B.761; 256B.764; 256D.01,  
 623.43 subdivision 1a; 256D.024, subdivision 1; 256D.03, by adding a subdivision;  
 623.44 256D.06, subdivision 5; 256D.44, subdivision 5; 256D.63, subdivision 2; 256E.34,  
 623.45 subdivision 4; 256E.35, subdivisions 1, 2, 3, 4a, 6, 7; 256I.03, subdivisions 7, 13;  
 623.46 256I.04, subdivision 1; 256I.06, subdivisions 6, 8, by adding a subdivision; 256J.08,  
 623.47 subdivisions 71, 79; 256J.11, subdivision 1; 256J.21, subdivisions 3, 4; 256J.26,  
 623.48 subdivision 1; 256J.33, subdivisions 1, 2; 256J.35; 256J.37, subdivisions 3, 3a;  
 623.49 256J.425, subdivisions 1, 4, 5, 7; 256J.46, subdivisions 1, 2, 2a; 256J.95,  
 623.50 subdivision 19; 256L.03, subdivision 5; 256L.04, subdivisions 7a, 10, by adding  
 623.51 a subdivision; 256L.07, subdivision 1; 256L.15, subdivision 2; 256N.26, subdivision  
 623.52 12; 256P.01, by adding subdivisions; 256P.02, subdivision 2, by adding  
 623.53 subdivisions; 256P.04, subdivisions 4, 8; 256P.06, subdivision 3, by adding a  
 623.54 subdivision; 256P.07, subdivisions 1, 2, 3, 4, 6, 7, by adding subdivisions; 259.83,  
 623.55 subdivisions 1, 1a, 1b, by adding a subdivision; 260.761, subdivision 2; 260C.007,  
 623.56 subdivisions 6, 14; 260C.317, subdivision 4; 260C.80, subdivision 1; 260E.01;  
 623.57 260E.02, subdivision 1; 260E.03, subdivision 22, by adding subdivisions; 260E.09;  
 623.58 260E.14, subdivisions 2, 5; 260E.17, subdivision 1; 260E.18; 260E.20, subdivision

624.1 2; 260E.24, subdivisions 2, 7; 260E.33, subdivision 1; 260E.35, subdivision 6;  
 624.2 270B.14, subdivision 1, by adding a subdivision; 297F.10, subdivision 1; 403.161,  
 624.3 subdivisions 1, 3, 5, 6, 7; 403.162, subdivisions 1, 2, 5; 518A.31; 518A.32,  
 624.4 subdivisions 3, 4; 518A.34; 518A.41; 518A.42, subdivisions 1, 3; 518A.65;  
 624.5 518A.77; 609B.425, subdivision 2; 609B.435, subdivision 2; Laws 2017, First  
 624.6 Special Session chapter 6, article 5, section 11, as amended; Laws 2021, First  
 624.7 Special Session chapter 7, article 6, section 26; article 17, section 5, subdivision  
 624.8 1; proposing coding for new law in Minnesota Statutes, chapters 62A; 62D; 62J;  
 624.9 62Q; 62V; 103I; 119B; 144; 144E; 145; 148; 245; 256B; 256E; 256K; 256N; 256P;  
 624.10 260; 290; proposing coding for new law as Minnesota Statutes, chapters 143; 245J;  
 624.11 repealing Minnesota Statutes 2022, sections 62J.692, subdivisions 4a, 7, 7a;  
 624.12 119B.03, subdivision 4; 137.38, subdivision 1; 144.059, subdivision 10; 144.212,  
 624.13 subdivision 11; 245C.02, subdivision 14b; 245C.032; 245C.11, subdivision 3;  
 624.14 245C.30, subdivision 1a; 256.8799; 256.9864; 256B.0631, subdivisions 1, 2, 3;  
 624.15 256B.69, subdivision 5c; 256J.08, subdivisions 10, 53, 61, 62, 81, 83; 256J.30,  
 624.16 subdivisions 5, 7, 8; 256J.33, subdivisions 3, 4, 5; 256J.34, subdivisions 1, 2, 3,  
 624.17 4; 256J.37, subdivision 10; 259.83, subdivision 3; 259.89; 260C.637."

624.18 And when so amended the bill do pass and be re-referred to the Committee on Finance.

624.19 Amendments adopted. Report adopted.



624.20

.....  
 (Committee Chair)

624.21

April 4, 2023.....

624.22

(Date of Committee recommendation)