

1.1 Senator moves to amend S.F. No. 2818 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1

1.4 DEPARTMENT OF HEALTH POLICY

1.5 Section 1. Minnesota Statutes 2022, section 144A.06, subdivision 2, is amended to read:

1.6 Subd. 2. **New license required; change of ownership.** (a) The commissioner of health
1.7 by rule shall prescribe procedures for licensure under this section.

1.8 (b) A new license is required and the prospective licensee must apply for a license prior
1.9 to operating a currently licensed nursing home. The licensee must change whenever one of
1.10 the following events occur:

1.11 (1) the form of the licensee's legal entity structure is converted or changed to a different
1.12 type of legal entity structure;

1.13 (2) the licensee dissolves, consolidates, or merges with another legal organization and
1.14 the licensee's legal organization does not survive;

1.15 (3) within the previous 24 months, 50 percent or more of the licensee's ownership interest
1.16 is transferred, whether by a single transaction or multiple transactions to:

1.17 (i) a different person or multiple persons; or

1.18 (ii) a person or multiple different persons who had less than a five percent ownership
1.19 interest in the facility at the time of the first transaction; or

1.20 (4) any other event or combination of events that results in a substitution, elimination,
1.21 or withdrawal of the licensee's responsibility for the facility.

1.22 Sec. 2. Minnesota Statutes 2022, section 144A.071, subdivision 2, is amended to read:

1.23 Subd. 2. **Moratorium.** (a) The commissioner of health, in coordination with the
1.24 commissioner of human services, shall deny each request for new licensed or certified
1.25 nursing home or certified boarding care beds except as provided in subdivision 3 or 4a, or
1.26 section 144A.073. "Certified bed" means a nursing home bed or a boarding care bed certified
1.27 by the commissioner of health for the purposes of the medical assistance program, under
1.28 United States Code, title 42, sections 1396 et seq. Certified beds in facilities which do not
1.29 allow medical assistance intake shall be deemed to be decertified for purposes of this section
1.30 only.

2.1 (b) The commissioner of human services, in coordination with the commissioner of
2.2 health, shall deny any request to issue a license under section 252.28 and chapter 245A to
2.3 a nursing home or boarding care home, if that license would result in an increase in the
2.4 medical assistance reimbursement amount.

2.5 (c) In addition, the commissioner of health must not approve any construction project
2.6 whose cost exceeds \$1,000,000, unless:

2.7 ~~(a)~~ (1) any construction costs exceeding \$1,000,000 are not added to the facility's
2.8 appraised value and are not included in the facility's payment rate for reimbursement under
2.9 the medical assistance program; or

2.10 ~~(b)~~ (2) the project:

2.11 ~~(1)~~ (i) has been approved through the process described in section 144A.073 and if
2.12 approved under section 144A.073, subdivision 3, after March 1, 2020, is subject to the fair
2.13 rental value property rate as described in section 256R.26;

2.14 ~~(2)~~ (ii) meets an exception in subdivision 3 or 4a;

2.15 ~~(3)~~ (iii) is necessary to correct violations of state or federal law issued by the
2.16 commissioner of health;

2.17 ~~(4)~~ (iv) is necessary to repair or replace a portion of the facility that was damaged by
2.18 fire, lightning, ground shifts, or other such hazards, including environmental hazards,
2.19 provided that the provisions of subdivision 4a, clause (a), are met; or

2.20 ~~(5)~~ (v) is being proposed by a licensed nursing facility that is not certified to participate
2.21 in the medical assistance program and will not result in new licensed or certified beds.

2.22 (d) Prior to the final plan approval of any construction project, the commissioners of
2.23 health and human services shall be provided with an itemized cost estimate for the project
2.24 construction costs. If a construction project is anticipated to be completed in phases, the
2.25 total estimated cost of all phases of the project shall be submitted to the commissioners and
2.26 shall be considered as one construction project. Once the construction project is completed
2.27 and prior to the final clearance by the commissioners, the total project construction costs
2.28 for the construction project shall be submitted to the commissioners. If the final project
2.29 construction cost exceeds the dollar threshold in this subdivision, the commissioner of
2.30 human services shall not recognize any of the project construction costs or the related
2.31 financing costs in excess of this threshold in establishing the facility's property-related
2.32 payment rate.

3.1 (e) The dollar thresholds for construction projects are as follows: for construction projects
3.2 other than those authorized in ~~clauses (1) to (6)~~ paragraph (c), clause (2), items (i) to (v),
3.3 the dollar threshold is \$1,000,000. For projects authorized after July 1, 1993, under ~~clause~~
3.4 ~~(1)~~ paragraph (c), clause (2), item (i), the dollar threshold is the cost estimate submitted
3.5 with a proposal for an exception under section 144A.073, plus inflation as calculated
3.6 according to section 256B.431, subdivision 3f, paragraph (a). For projects authorized under
3.7 ~~clauses (2) to (4)~~ paragraph (c), clause (2), items (ii) to (iv), the dollar threshold is the
3.8 itemized estimate project construction costs submitted to the commissioner of health at the
3.9 time of final plan approval, plus inflation as calculated according to section 256B.431,
3.10 subdivision 3f, paragraph (a).

3.11 (f) The commissioner of health shall adopt rules to implement this section or to amend
3.12 the emergency rules for granting exceptions to the moratorium on nursing homes under
3.13 section 144A.073.

3.14 Sec. 3. Minnesota Statutes 2022, section 144A.073, subdivision 3b, is amended to read:

3.15 Subd. 3b. **Amendments to approved projects.** (a) Nursing facilities that have received
3.16 approval ~~on or after July 1, 1993~~, for exceptions to the moratorium on nursing homes through
3.17 the process described in this section may request amendments to the designs of the projects
3.18 by writing the commissioner within 15 months of receiving approval. An approved project
3.19 may not be amended to reduce the scope of an approved project. Applicants shall submit
3.20 supporting materials that demonstrate how the amended projects meet the criteria described
3.21 in paragraph (b).

3.22 (b) The commissioner shall approve requests for amendments for projects approved ~~on~~
3.23 ~~or after July 1, 1993~~, according to the following criteria:

3.24 (1) the amended project designs must provide solutions to all of the problems addressed
3.25 by the original application that are at least as effective as the original solutions;

3.26 (2) the amended project designs may not reduce the space in each resident's living area
3.27 or in the total amount of common space devoted to resident and family uses by more than
3.28 five percent;

3.29 (3) the costs ~~recognized for reimbursement~~ of amended project designs shall be ~~the~~
3.30 ~~threshold amount of the original proposal as identified according to section 144A.071,~~
3.31 ~~subdivision 2~~ the cost estimate associated with the project as originally approved, except
3.32 under conditions described in clause (4); and

4.1 (4) total costs ~~up to ten percent greater than the cost identified in clause (3) may be~~
 4.2 ~~recognized for reimbursement if~~ of the amendment are no greater than ten percent of the
 4.3 cost estimate associated with the project as initially approved if the proposer can document
 4.4 that one of the following circumstances is true:

4.5 (i) changes are needed due to a natural disaster;

4.6 (ii) conditions that affect the safety or durability of the project that could not have
 4.7 reasonably been known prior to approval are discovered;

4.8 (iii) state or federal law require changes in project design; or

4.9 (iv) documentable circumstances occur that are beyond the control of the owner and
 4.10 require changes in the design.

4.11 (c) Approval of a request for an amendment does not alter the expiration of approval of
 4.12 the project according to subdivision 3.

4.13 (d) Reimbursement for amendments to approved projects is independent of the actual
 4.14 construction costs and based on the allowable appraised value of the completed project.

4.15 **EFFECTIVE DATE.** This section is effective retroactively from March 1, 2020.

4.16 Sec. 4. Minnesota Statutes 2022, section 144A.474, subdivision 3, is amended to read:

4.17 Subd. 3. **Survey process.** The survey process for core surveys shall include the following
 4.18 as applicable to the particular licensee and setting surveyed:

4.19 (1) presurvey review of pertinent documents and notification to the ombudsman for
 4.20 long-term care;

4.21 (2) an entrance conference with available staff;

4.22 (3) communication with managerial officials or the registered nurse in charge, if available,
 4.23 and ongoing communication with key staff throughout the survey regarding information
 4.24 needed by the surveyor, clarifications regarding home care requirements, and applicable
 4.25 standards of practice;

4.26 (4) presentation of written contact information to the provider about the survey staff
 4.27 conducting the survey, the supervisor, and the process for requesting a reconsideration of
 4.28 the survey results;

4.29 (5) a brief tour of ~~a sample of the housing with services establishments~~ establishment
 4.30 in which the provider is providing home care services;

4.31 (6) a sample selection of home care clients;

5.1 (7) information-gathering through client and staff observations, client and staff interviews,
5.2 and reviews of records, policies, procedures, practices, and other agency information;

5.3 (8) interviews of clients' family members, if available, with clients' consent when the
5.4 client can legally give consent;

5.5 (9) except for complaint surveys conducted by the Office of Health Facilities Complaints,
5.6 an ~~on-site~~ exit conference, with preliminary findings ~~shared and~~ discussed with the provider
5.7 within one business day after completion of survey activities, ~~documentation that an exit~~
5.8 ~~conference occurred~~, and with written information provided on the process for requesting
5.9 a reconsideration of the survey results; and

5.10 (10) postsurvey analysis of findings and formulation of survey results, including
5.11 correction orders when applicable.

5.12 **EFFECTIVE DATE.** This section is effective August 1, 2023.

5.13 Sec. 5. Minnesota Statutes 2022, section 144A.474, subdivision 9, is amended to read:

5.14 Subd. 9. **Follow-up surveys.** For providers that have Level 3 or Level 4 violations under
5.15 subdivision 11, ~~or any violations determined to be widespread~~, the department shall conduct
5.16 a follow-up survey within 90 calendar days of the survey. When conducting a follow-up
5.17 survey, the surveyor will focus on whether the previous violations have been corrected and
5.18 may also address any new violations that are observed while evaluating the corrections that
5.19 have been made.

5.20 **EFFECTIVE DATE.** This section is effective August 1, 2023.

5.21 Sec. 6. Minnesota Statutes 2022, section 144A.474, subdivision 12, is amended to read:

5.22 Subd. 12. **Reconsideration.** (a) The commissioner shall make available to home care
5.23 providers a correction order reconsideration process. This process may be used to challenge
5.24 the correction order issued, including the level and scope described in subdivision 11, and
5.25 any fine assessed. During the correction order reconsideration request, the issuance for the
5.26 correction orders under reconsideration are not stayed, but the department shall post
5.27 information on the website with the correction order that the licensee has requested a
5.28 reconsideration and that the review is pending.

5.29 (b) A licensed home care provider may request from the commissioner, in writing, a
5.30 correction order reconsideration regarding any correction order issued to the provider. The
5.31 written request for reconsideration must be received by the commissioner within 15 ~~calendar~~
5.32 business days of the correction order receipt date. The correction order reconsideration shall

6.1 not be reviewed by any surveyor, investigator, or supervisor that participated in the writing
6.2 or reviewing of the correction order being disputed. The correction order reconsiderations
6.3 may be conducted in person, by telephone, by another electronic form, or in writing, as
6.4 determined by the commissioner. The commissioner shall respond in writing to the request
6.5 from a home care provider for a correction order reconsideration within 60 days of the date
6.6 the provider requests a reconsideration. The commissioner's response shall identify the
6.7 commissioner's decision regarding each citation challenged by the home care provider.

6.8 (c) The findings of a correction order reconsideration process shall be one or more of
6.9 the following:

6.10 (1) supported in full, the correction order is supported in full, with no deletion of findings
6.11 to the citation;

6.12 (2) supported in substance, the correction order is supported, but one or more findings
6.13 are deleted or modified without any change in the citation;

6.14 (3) correction order cited an incorrect home care licensing requirement, the correction
6.15 order is amended by changing the correction order to the appropriate statutory reference;

6.16 (4) correction order was issued under an incorrect citation, the correction order is amended
6.17 to be issued under the more appropriate correction order citation;

6.18 (5) the correction order is rescinded;

6.19 (6) fine is amended, it is determined that the fine assigned to the correction order was
6.20 applied incorrectly; or

6.21 (7) the level or scope of the citation is modified based on the reconsideration.

6.22 (d) If the correction order findings are changed by the commissioner, the commissioner
6.23 shall update the correction order website.

6.24 (e) This subdivision does not apply to temporary licensees.

6.25 Sec. 7. Minnesota Statutes 2022, section 144A.4791, subdivision 10, is amended to read:

6.26 Subd. 10. **Termination of service plan.** (a) If a home care provider terminates a service
6.27 plan with a client, and the client continues to need home care services, the home care provider
6.28 shall provide the client and the client's representative, if any, with a written notice of
6.29 termination which includes the following information:

6.30 (1) the effective date of termination;

6.31 (2) the reason for termination;

7.1 (3) a statement that the client may contact the Office of Ombudsman for Long-Term
 7.2 Care to request an advocate to assist regarding the termination and contact information for
 7.3 the office, including the office's central telephone number;

7.4 ~~(3)~~ (4) a list of known licensed home care providers in the client's immediate geographic
 7.5 area;

7.6 ~~(4)~~ (5) a statement that the home care provider will participate in a coordinated transfer
 7.7 of care of the client to another home care provider, health care provider, or caregiver, as
 7.8 required by the home care bill of rights, section 144A.44, subdivision 1, clause (17);

7.9 ~~(5)~~ (6) the name and contact information of a person employed by the home care provider
 7.10 with whom the client may discuss the notice of termination; and

7.11 ~~(6)~~ (7) if applicable, a statement that the notice of termination of home care services
 7.12 does not constitute notice of termination of ~~the housing with services contract with a housing~~
 7.13 ~~with services establishment~~ any housing contract.

7.14 (b) When the home care provider voluntarily discontinues services to all clients, the
 7.15 home care provider must notify the commissioner, lead agencies, and ombudsman for
 7.16 long-term care about its clients and comply with the requirements in this subdivision.

7.17 Sec. 8. Minnesota Statutes 2022, section 256B.434, subdivision 4f, is amended to read:

7.18 Subd. 4f. **Construction project rate adjustments effective October 1, 2006.** (a)
 7.19 Effective October 1, 2006, facilities reimbursed under this section may receive a property
 7.20 rate adjustment for construction projects exceeding the threshold in section 256B.431,
 7.21 subdivision 16, and below the threshold in section 144A.071, subdivision 2, ~~clause (a)~~
 7.22 paragraph (c), clause (1). For these projects, capital assets purchased shall be counted as
 7.23 construction project costs for a rate adjustment request made by a facility if they are: (1)
 7.24 purchased within 24 months of the completion of the construction project; (2) purchased
 7.25 after the completion date of any prior construction project; and (3) are not purchased prior
 7.26 to July 14, 2005. Except as otherwise provided in this subdivision, the definitions, rate
 7.27 calculation methods, and principles in sections 144A.071 and 256B.431 and Minnesota
 7.28 Rules, parts 9549.0010 to 9549.0080, shall be used to calculate rate adjustments for allowable
 7.29 construction projects under this subdivision and section 144A.073. Facilities completing
 7.30 construction projects between October 1, 2005, and October 1, 2006, are eligible to have a
 7.31 property rate adjustment effective October 1, 2006. Facilities completing projects after
 7.32 October 1, 2006, are eligible for a property rate adjustment effective on the first day of the
 7.33 month following the completion date. Facilities completing projects after January 1, 2018,

8.1 are eligible for a property rate adjustment effective on the first day of the month of January
8.2 or July, whichever occurs immediately following the completion date.

8.3 (b) Notwithstanding subdivision 18, as of July 14, 2005, facilities with rates set under
8.4 section 256B.431 and Minnesota Rules, parts 9549.0010 to 9549.0080, that commenced a
8.5 construction project on or after October 1, 2004, and do not have a contract under subdivision
8.6 3 by September 30, 2006, are eligible to request a rate adjustment under section 256B.431,
8.7 subdivision 10, through September 30, 2006. If the request results in the commissioner
8.8 determining a rate adjustment is allowable, the rate adjustment is effective on the first of
8.9 the month following project completion. These facilities shall be allowed to accumulate
8.10 construction project costs for the period October 1, 2004, to September 30, 2006.

8.11 (c) Facilities shall be allowed construction project rate adjustments no sooner than 12
8.12 months after completing a previous construction project. Facilities must request the rate
8.13 adjustment according to section 256B.431, subdivision 10.

8.14 (d) Capacity days shall be computed according to Minnesota Rules, part 9549.0060,
8.15 subpart 11. For rate calculations under this section, the number of licensed beds in the
8.16 nursing facility shall be the number existing after the construction project is completed and
8.17 the number of days in the nursing facility's reporting period shall be 365.

8.18 (e) The value of assets to be recognized for a total replacement project as defined in
8.19 section 256B.431, subdivision 17d, shall be computed as described in clause (1). The value
8.20 of assets to be recognized for all other projects shall be computed as described in clause
8.21 (2).

8.22 (1) Replacement-cost-new limits under section 256B.431, subdivision 17e, and the
8.23 number of beds allowed under subdivision 3a, paragraph (c), shall be used to compute the
8.24 maximum amount of assets allowable in a facility's property rate calculation. If a facility's
8.25 current request for a rate adjustment results from the completion of a construction project
8.26 that was previously approved under section 144A.073, the assets to be used in the rate
8.27 calculation cannot exceed the lesser of the amount determined under sections 144A.071,
8.28 subdivision 2, and 144A.073, subdivision 3b, or the actual allowable costs of the construction
8.29 project. A current request that is not the result of a project under section 144A.073 cannot
8.30 exceed the limit under section 144A.071, subdivision 2, paragraph ~~(a)~~ (c), clause (1).
8.31 Applicable credits must be deducted from the cost of the construction project.

8.32 (2)(i) Replacement-cost-new limits under section 256B.431, subdivision 17e, and the
8.33 number of beds allowed under section 256B.431, subdivision 3a, paragraph (c), shall be

9.1 used to compute the maximum amount of assets allowable in a facility's property rate
9.2 calculation.

9.3 (ii) The value of a facility's assets to be compared to the amount in item (i) begins with
9.4 the total appraised value from the last rate notice a facility received when its rates were set
9.5 under section 256B.431 and Minnesota Rules, parts 9549.0010 to 9549.0080. This value
9.6 shall be indexed by the factor in section 256B.431, subdivision 3f, paragraph (a), for each
9.7 rate year the facility received an inflation factor on its property-related rate when its rates
9.8 were set under this section. The value of assets listed as previous capital additions, capital
9.9 additions, and special projects on the facility's base year rate notice and the value of assets
9.10 related to a construction project for which the facility received a rate adjustment when its
9.11 rates were determined under this section shall be added to the indexed appraised value.

9.12 (iii) The maximum amount of assets to be recognized in computing a facility's rate
9.13 adjustment after a project is completed is the lesser of the aggregate replacement-cost-new
9.14 limit computed in (i) minus the assets recognized in (ii) or the actual allowable costs of the
9.15 construction project.

9.16 (iv) If a facility's current request for a rate adjustment results from the completion of a
9.17 construction project that was previously approved under section 144A.073, the assets to be
9.18 added to the rate calculation cannot exceed the lesser of the amount determined under
9.19 sections 144A.071, subdivision 2, and 144A.073, subdivision 3b, or the actual allowable
9.20 costs of the construction project. A current request that is not the result of a project under
9.21 section 144A.073 cannot exceed the limit stated in section 144A.071, subdivision 2,
9.22 paragraph ~~(a)~~ (c), clause (1). Assets disposed of as a result of a construction project and
9.23 applicable credits must be deducted from the cost of the construction project.

9.24 (f) For construction projects approved under section 144A.073, allowable debt may
9.25 never exceed the lesser of the cost of the assets purchased, the threshold limit in section
9.26 144A.071, subdivision 2, or the replacement-cost-new limit less previously existing capital
9.27 debt.

9.28 (g) For construction projects that were not approved under section 144A.073, allowable
9.29 debt is limited to the lesser of the threshold in section 144A.071, subdivision 2, for such
9.30 construction projects or the applicable limit in paragraph (e), clause (1) or (2), less previously
9.31 existing capital debt. Amounts of debt taken out that exceed the costs of a construction
9.32 project shall not be allowed regardless of the use of the funds.

9.33 For all construction projects being recognized, interest expense and average debt shall
9.34 be computed based on the first 12 months following project completion. "Previously existing

10.1 capital debt" means capital debt recognized on the last rate determined under section
10.2 256B.431 and Minnesota Rules, parts 9549.0010 to 9549.0080, and the amount of debt
10.3 recognized for a construction project for which the facility received a rate adjustment when
10.4 its rates were determined under this section.

10.5 For a total replacement project as defined in section 256B.431, subdivision 17d, the
10.6 value of previously existing capital debt shall be zero.

10.7 (h) In addition to the interest expense allowed from the application of paragraph (f), the
10.8 amounts allowed under section 256B.431, subdivision 17a, paragraph (a), clauses (2) and
10.9 (3), will be added to interest expense.

10.10 (i) The equity portion of the construction project shall be computed as the allowable
10.11 assets in paragraph (e), less the average debt in paragraph (f). The equity portion must be
10.12 multiplied by 5.66 percent and the allowable interest expense in paragraph (f) must be added.
10.13 This sum must be divided by 95 percent of capacity days to compute the construction project
10.14 rate adjustment.

10.15 (j) For projects that are not a total replacement of a nursing facility, the amount in
10.16 paragraph (i) is adjusted for nonreimbursable areas and then added to the current property
10.17 payment rate of the facility.

10.18 (k) For projects that are a total replacement of a nursing facility, the amount in paragraph
10.19 (i) becomes the new property payment rate after being adjusted for nonreimbursable areas.
10.20 Any amounts existing in a facility's rate before the effective date of the construction project
10.21 for equity incentives under section 256B.431, subdivision 16; capital repairs and replacements
10.22 under section 256B.431, subdivision 15; or refinancing incentives under section 256B.431,
10.23 subdivision 19, shall be removed from the facility's rates.

10.24 (l) No additional equipment allowance is allowed under Minnesota Rules, part 9549.0060,
10.25 subpart 10, as the result of construction projects under this section. Allowable equipment
10.26 shall be included in the construction project costs.

10.27 (m) Capital assets purchased after the completion date of a construction project shall be
10.28 counted as construction project costs for any future rate adjustment request made by a facility
10.29 under section 144A.071, subdivision 2, ~~clause (a)~~ paragraph (c), clause (1), if they are
10.30 purchased within 24 months of the completion of the future construction project.

10.31 (n) In subsequent rate years, the property payment rate for a facility that results from
10.32 the application of this subdivision shall be the amount inflated in subdivision 4.

11.1 (o) Construction projects are eligible for an equity incentive under section 256B.431,
 11.2 subdivision 16. When computing the equity incentive for a construction project under this
 11.3 subdivision, only the allowable costs and allowable debt related to the construction project
 11.4 shall be used. The equity incentive shall not be a part of the property payment rate and not
 11.5 inflated under subdivision 4. Effective October 1, 2006, all equity incentives for nursing
 11.6 facilities reimbursed under this section shall be allowed for a duration determined under
 11.7 section 256B.431, subdivision 16, paragraph (c).

11.8 ARTICLE 2

11.9 SUBSTANCE USE DISORDER DIRECT ACCESS POLICY

11.10 Section 1. Minnesota Statutes 2022, section 62N.25, subdivision 5, is amended to read:

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

11.17 Sec. 2. Minnesota Statutes 2022, section 62Q.1055, is amended to read:

11.18 **62Q.1055 CHEMICAL DEPENDENCY.**

11.19 All health plan companies shall use the assessment criteria in ~~Minnesota Rules, parts~~
 11.20 ~~9530.6600 to 9530.6655,~~ section 245G.05 when assessing and ~~placing~~ treating enrollees
 11.21 for chemical dependency treatment.

11.22 Sec. 3. Minnesota Statutes 2022, section 62Q.47, is amended to read:

11.23 **62Q.47 ALCOHOLISM, MENTAL HEALTH, AND CHEMICAL DEPENDENCY** 11.24 **SERVICES.**

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

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

12.1 enrollee, or be more restrictive than those requirements and limitations for outpatient medical
12.2 services.

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

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

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

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

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

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

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

13.4 (2) identify any enforcement actions taken by either commissioner during the preceding
13.5 12-month period regarding compliance with parity for mental health and substance use
13.6 disorders benefits under state and federal law, summarizing the results of any market conduct
13.7 examinations. The summary must include: (i) the number of formal enforcement actions
13.8 taken; (ii) the benefit classifications examined in each enforcement action; and (iii) the
13.9 subject matter of each enforcement action, including quantitative and nonquantitative
13.10 treatment limitations;

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

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

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

13.21 Sec. 4. Minnesota Statutes 2022, section 169A.70, subdivision 3, is amended to read:

13.22 Subd. 3. **Assessment report.** (a) The assessment report must be on a form prescribed
13.23 by the commissioner and shall contain an evaluation of the convicted defendant concerning
13.24 the defendant's prior traffic and criminal record, characteristics and history of alcohol and
13.25 chemical use problems, and amenability to rehabilitation through the alcohol safety program.
13.26 The report is classified as private data on individuals as defined in section 13.02, subdivision
13.27 12.

13.28 (b) The assessment report must include:

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

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

14.1 (3) a recommended level of care for the offender in accordance with the criteria contained
14.2 in ~~rules adopted by the commissioner of human services under section 254A.03, subdivision~~
14.3 ~~3 (substance use disorder treatment rules)~~ section 245G.05;

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

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

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

14.10 Sec. 5. Minnesota Statutes 2022, section 169A.70, subdivision 4, is amended to read:

14.11 Subd. 4. **Assessor standards; rules; assessment time limits.** A chemical use assessment
14.12 required by this section must be conducted by an assessor appointed by the court. The
14.13 assessor must meet the training and qualification requirements of ~~rules adopted by the~~
14.14 ~~commissioner of human services under section 254A.03, subdivision 3 (substance use~~
14.15 ~~disorder treatment rules)~~ section 245G.11, subdivisions 1 and 5. Notwithstanding section
14.16 13.82 (law enforcement data), the assessor shall have access to any police reports, laboratory
14.17 test results, and other law enforcement data relating to the current offense or previous
14.18 offenses that are necessary to complete the evaluation. ~~An assessor providing an assessment~~
14.19 ~~under this section may not have any direct or shared financial interest or referral relationship~~
14.20 ~~resulting in shared financial gain with a treatment provider, except as authorized under~~
14.21 ~~section 254A.19, subdivision 3. If an independent assessor is not available, the court may~~
14.22 ~~use the services of an assessor authorized to perform assessments for the county social~~
14.23 ~~services agency under a variance granted under rules adopted by the commissioner of human~~
14.24 ~~services under section 254A.03, subdivision 3.~~ An appointment for the defendant to undergo
14.25 the assessment must be made by the court, a court services probation officer, or the court
14.26 administrator as soon as possible but in no case more than one week after the defendant's
14.27 court appearance. The assessment must be completed no later than three weeks after the
14.28 defendant's court appearance. If the assessment is not performed within this time limit, the
14.29 county where the defendant is to be sentenced shall perform the assessment. The county of
14.30 financial responsibility must be determined under chapter 256G.

14.31 Sec. 6. Minnesota Statutes 2022, section 245A.043, subdivision 3, is amended to read:

14.32 Subd. 3. **Change of ownership process.** (a) When a change in ownership is proposed
14.33 and the party intends to assume operation without an interruption in service longer than 60

15.1 days after acquiring the program or service, the license holder must provide the commissioner
15.2 with written notice of the proposed change on a form provided by the commissioner at least
15.3 60 days before the anticipated date of the change in ownership. For purposes of this
15.4 subdivision and subdivision 4, "party" means the party that intends to operate the service
15.5 or program.

15.6 (b) The party must submit a license application under this chapter on the form and in
15.7 the manner prescribed by the commissioner at least 30 days before the change in ownership
15.8 is complete, and must include documentation to support the upcoming change. The party
15.9 must comply with background study requirements under chapter 245C and shall pay the
15.10 application fee required under section 245A.10. A party that intends to assume operation
15.11 without an interruption in service longer than 60 days after acquiring the program or service
15.12 is exempt from the requirements of sections 245G.03, subdivision 2, paragraph (b), and
15.13 254B.03, subdivision 2, paragraphs (c) and (d) ~~and (e)~~.

15.14 (c) The commissioner may streamline application procedures when the party is an existing
15.15 license holder under this chapter and is acquiring a program licensed under this chapter or
15.16 service in the same service class as one or more licensed programs or services the party
15.17 operates and those licenses are in substantial compliance. For purposes of this subdivision,
15.18 "substantial compliance" means within the previous 12 months the commissioner did not
15.19 (1) issue a sanction under section 245A.07 against a license held by the party, or (2) make
15.20 a license held by the party conditional according to section 245A.06.

15.21 (d) Except when a temporary change in ownership license is issued pursuant to
15.22 subdivision 4, the existing license holder is solely responsible for operating the program
15.23 according to applicable laws and rules until a license under this chapter is issued to the
15.24 party.

15.25 (e) If a licensing inspection of the program or service was conducted within the previous
15.26 12 months and the existing license holder's license record demonstrates substantial
15.27 compliance with the applicable licensing requirements, the commissioner may waive the
15.28 party's inspection required by section 245A.04, subdivision 4. The party must submit to the
15.29 commissioner (1) proof that the premises was inspected by a fire marshal or that the fire
15.30 marshal deemed that an inspection was not warranted, and (2) proof that the premises was
15.31 inspected for compliance with the building code or that no inspection was deemed warranted.

15.32 (f) If the party is seeking a license for a program or service that has an outstanding action
15.33 under section 245A.06 or 245A.07, the party must submit a letter as part of the application

16.1 process identifying how the party has or will come into full compliance with the licensing
16.2 requirements.

16.3 (g) The commissioner shall evaluate the party's application according to section 245A.04,
16.4 subdivision 6. If the commissioner determines that the party has remedied or demonstrates
16.5 the ability to remedy the outstanding actions under section 245A.06 or 245A.07 and has
16.6 determined that the program otherwise complies with all applicable laws and rules, the
16.7 commissioner shall issue a license or conditional license under this chapter. The conditional
16.8 license remains in effect until the commissioner determines that the grounds for the action
16.9 are corrected or no longer exist.

16.10 (h) The commissioner may deny an application as provided in section 245A.05. An
16.11 applicant whose application was denied by the commissioner may appeal the denial according
16.12 to section 245A.05.

16.13 (i) This subdivision does not apply to a licensed program or service located in a home
16.14 where the license holder resides.

16.15 Sec. 7. Minnesota Statutes 2022, section 245G.05, subdivision 2, is amended to read:

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

16.27 (b) An assessment summary must include:

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

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

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

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

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

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

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

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

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

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

17.21 Sec. 8. Minnesota Statutes 2022, section 245G.22, subdivision 2, is amended to read:

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

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

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

17.29 (d) "Medical director" means a practitioner licensed to practice medicine in the
17.30 jurisdiction that the opioid treatment program is located who assumes responsibility for
17.31 administering all medical services performed by the program, either by performing the

18.1 services directly or by delegating specific responsibility to a practitioner of the opioid
18.2 treatment program.

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

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

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

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

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

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

18.20 Sec. 9. Minnesota Statutes 2022, section 254A.03, subdivision 3, is amended to read:

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

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

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

19.18 ~~(d) Notwithstanding Minnesota Rules, parts 9530.6600 to 9530.6655, An individual~~
19.19 ~~may choose to obtain a comprehensive assessment as provided in section 245G.05.~~
19.20 ~~Individuals obtaining a comprehensive assessment may access any enrolled provider that~~
19.21 ~~is licensed to provide the level of service authorized pursuant to section 254A.19, subdivision~~
19.22 ~~3, paragraph (d). If the individual is enrolled in a prepaid health plan, the individual must~~
19.23 ~~comply with any provider network requirements or limitations. This paragraph expires July~~
19.24 ~~1, 2022.~~

19.25 (d) An individual may choose to obtain a comprehensive assessment as provided in
19.26 section 245G.05. Individuals obtaining a comprehensive assessment may access any enrolled
19.27 provider that is licensed to provide the level of service authorized pursuant to section
19.28 254A.19, subdivision 3. If the individual is enrolled in a prepaid health plan, the individual
19.29 must comply with any provider network requirements or limitations.

19.30 Sec. 10. Minnesota Statutes 2022, section 254A.19, subdivision 1, is amended to read:

19.31 Subdivision 1. **Persons arrested outside of home county.** When a chemical use
19.32 assessment is required ~~under Minnesota Rules, parts 9530.6600 to 9530.6655,~~ for a person
19.33 who is arrested and taken into custody by a peace officer outside of the person's county of
19.34 residence, ~~the assessment must be completed by the person's county of residence no later~~

20.1 ~~than three weeks after the assessment is initially requested. If the assessment is not performed~~
20.2 ~~within this time limit, the county where the person is to be sentenced shall perform the~~
20.3 ~~assessment~~ county where the person is detained must give access to an assessor qualified
20.4 under section 254A.19, subdivision 3. The county of financial responsibility is determined
20.5 under chapter 256G.

20.6 Sec. 11. Minnesota Statutes 2022, section 254A.19, subdivision 3, is amended to read:

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

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

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

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

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

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

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

20.29 (d) An eligible vendor under section 254B.05 conducting a comprehensive assessment
20.30 for an individual seeking treatment shall approve the nature, intensity level, and duration
20.31 of treatment service if a need for services is indicated, but the individual assessed can access
20.32 any enrolled provider that is licensed to provide the level of service authorized, including
20.33 the provider or program that completed the assessment. If an individual is enrolled in a

21.1 prepaid health plan, the individual must comply with any provider network requirements
21.2 or limitations.

21.3 Sec. 12. Minnesota Statutes 2022, section 254A.19, subdivision 4, is amended to read:

21.4 Subd. 4. **Civil commitments.** ~~A Rule 25 assessment, under Minnesota Rules, part~~
21.5 ~~9530.6615, For the purposes of determining level of care, a comprehensive assessment does~~
21.6 ~~not need to be completed for an individual being committed as a chemically dependent~~
21.7 ~~person, as defined in section 253B.02, and for the duration of a civil commitment under~~
21.8 ~~section 253B.065, 253B.09, or 253B.095 in order for a county to access the behavioral~~
21.9 ~~health fund under section 254B.04. The county must determine if the individual meets the~~
21.10 ~~financial eligibility requirements for the behavioral health fund under section 254B.04.~~
21.11 ~~Nothing in this subdivision prohibits placement in a treatment facility or treatment program~~
21.12 ~~governed under this chapter or Minnesota Rules, parts 9530.6600 to 9530.6655.~~

21.13 Sec. 13. Minnesota Statutes 2022, section 254A.19, is amended by adding a subdivision
21.14 to read:

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

21.21 Sec. 14. Minnesota Statutes 2022, section 254A.19, is amended by adding a subdivision
21.22 to read:

21.23 Subd. 7. **Assessments for children's residential facilities.** For children's residential
21.24 facilities licensed under chapter 245A according to Minnesota Rules, parts 2960.0010 to
21.25 2960.0220 and 2960.0430 to 2960.0490, a "chemical use assessment" is a comprehensive
21.26 assessment and assessment summary completed according to the requirements of section
21.27 245G.05 and must be completed by an individual who meets the qualifications of section
21.28 245G.11, subdivisions 1 and 5.

22.1 Sec. 15. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision
22.2 to read:

22.3 Subd. 2a. **Behavioral health fund.** "Behavioral health fund" means money allocated
22.4 for payment of treatment services under chapter 254B.

22.5 Sec. 16. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision
22.6 to read:

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

22.9 Sec. 17. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision
22.10 to read:

22.11 Subd. 2c. **Co-payment.** "Co-payment" means:

22.12 (1) the amount an insured person is obligated to pay before the person's third-party
22.13 payment source is obligated to make a payment; or

22.14 (2) the amount an insured person is obligated to pay in addition to the amount the person's
22.15 third-party payment source is obligated to pay.

22.16 Sec. 18. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision
22.17 to read:

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

22.19 Sec. 19. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision
22.20 to read:

22.21 Subd. 4d. **Drug and Alcohol Abuse Normative Evaluation System or DAANES.** "Drug
22.22 and Alcohol Abuse Normative Evaluation System" or "DAANES" means the reporting
22.23 system used to collect all substance use disorder treatment data across all levels of care and
22.24 providers.

22.25 Sec. 20. Minnesota Statutes 2022, section 254B.01, subdivision 5, is amended to read:

22.26 Subd. 5. **Local agency.** "Local agency" means the agency designated by a board of
22.27 county commissioners, a local social services agency, or a human services board to make
22.28 placements and submit state invoices according to Laws 1986, chapter 394, sections 8 to

23.1 ~~20~~ authorized under section 254B.03, subdivision 1, to determine financial eligibility for
23.2 the behavioral health fund.

23.3 Sec. 21. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision
23.4 to read:

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

23.6 Sec. 22. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision
23.7 to read:

23.8 Subd. 6b. **Policyholder.** "Policyholder" means a person who has a third-party payment
23.9 policy under which a third-party payment source has an obligation to pay all or part of a
23.10 client's treatment costs.

23.11 Sec. 23. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision
23.12 to read:

23.13 Subd. 9. **Responsible relative.** "Responsible relative" means a person who is a member
23.14 of the client's household and is the client's spouse or the parent of a minor child who is a
23.15 client.

23.16 Sec. 24. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision
23.17 to read:

23.18 Subd. 10. **Third-party payment source** "Third-party payment source" means a person,
23.19 entity, or public or private agency other than medical assistance or general assistance medical
23.20 care that has a probable obligation to pay all or part of the costs of a client's substance use
23.21 disorder treatment.

23.22 Sec. 25. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision
23.23 to read:

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

24.1 Sec. 26. Minnesota Statutes 2022, section 254B.03, subdivision 1, is amended to read:

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

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

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

24.19 ~~(d) Notwithstanding Minnesota Rules, parts 9530.6600 to 9530.6655,~~ (c) An individual
24.20 may choose to obtain a comprehensive assessment as provided in section 245G.05.
24.21 Individuals obtaining a comprehensive assessment may access any enrolled provider that
24.22 is licensed to provide the level of service authorized pursuant to section 254A.19, subdivision
24.23 3, ~~paragraph (d).~~ If the individual is enrolled in a prepaid health plan, the individual must
24.24 comply with any provider network requirements or limitations.

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

24.27 Sec. 27. Minnesota Statutes 2022, section 254B.03, subdivision 2, is amended to read:

24.28 Subd. 2. **Behavioral health fund payment.** (a) Payment from the behavioral health
24.29 fund is limited to payments for services identified in section 254B.05, other than
24.30 detoxification licensed under Minnesota Rules, parts 9530.6510 to 9530.6590, and
24.31 detoxification provided in another state that would be required to be licensed as a substance
24.32 use disorder program if the program were in the state. Out of state vendors must also provide
24.33 the commissioner with assurances that the program complies substantially with state licensing

25.1 requirements and possesses all licenses and certifications required by the host state to provide
25.2 substance use disorder treatment. Vendors receiving payments from the behavioral health
25.3 fund must not require co-payment from a recipient of benefits for services provided under
25.4 this subdivision. The vendor is prohibited from using the client's public benefits to offset
25.5 the cost of services paid under this section. The vendor shall not require the client to use
25.6 public benefits for room or board costs. This includes but is not limited to cash assistance
25.7 benefits under chapters 119B, 256D, and 256J, or SNAP benefits. Retention of SNAP
25.8 benefits is a right of a client receiving services through the behavioral health fund or through
25.9 state contracted managed care entities. Payment from the behavioral health fund shall be
25.10 made for necessary room and board costs provided by vendors meeting the criteria under
25.11 section 254B.05, subdivision 1a, or in a community hospital licensed by the commissioner
25.12 of health according to sections 144.50 to 144.56 to a client who is:

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

25.15 (2) concurrently receiving a substance use disorder treatment service in a program
25.16 licensed by the commissioner and reimbursed by the behavioral health fund.

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

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

26.1 ~~(d)~~ (c) At least 60 days prior to submitting an application for new licensure under chapter
26.2 245G, the applicant must notify the county human services director in writing of the
26.3 applicant's intent to open a new treatment program. The written notification must include,
26.4 at a minimum:

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

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

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

26.13 Sec. 28. Minnesota Statutes 2022, section 254B.03, subdivision 5, is amended to read:

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

26.19 Sec. 29. Minnesota Statutes 2022, section 254B.04, subdivision 1, is amended to read:

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

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

27.1 ~~(e) Notwithstanding paragraph (a), persons enrolled in medical assistance are eligible~~
27.2 ~~for room and board services under section 254B.05, subdivision 5, paragraph (b), clause~~
27.3 ~~(12).~~

27.4 This section governs the administration of the behavioral health fund, establishes the
27.5 criteria to be applied by local agencies to determine a client's financial eligibility under the
27.6 behavioral health fund, and determines a client's obligation to pay for substance use disorder
27.7 treatment services.

27.8 Sec. 30. Minnesota Statutes 2022, section 254B.04, is amended by adding a subdivision
27.9 to read:

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

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

27.22 (c) Notwithstanding paragraph (a), persons enrolled in medical assistance are eligible
27.23 for room and board services under section 254B.05, subdivision 5, paragraph (b), clause
27.24 (12).

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

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

27.28 (2) is eligible for medical assistance as determined under Minnesota Rules, parts
27.29 9505.0010 to 9505.0150;

27.30 (3) is eligible for general assistance, general assistance medical care, or work readiness
27.31 as determined under Minnesota Rules, parts 9500.1200 to 9500.1318; or

28.1 (4) has income that is within current household size and income guidelines for entitled
28.2 persons, as defined in this subdivision and subdivision 7.

28.3 (e) Clients who meet the financial eligibility requirement in paragraph (a) and who have
28.4 a third-party payment source are eligible for the behavioral health fund if the third-party
28.5 payment source pays less than 100 percent of the cost of treatment services for eligible
28.6 clients.

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

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

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

28.13 (g) A client who is disenrolled from a state prepaid health plan during a treatment episode
28.14 is eligible for continued treatment service that is paid for by the behavioral health fund until
28.15 the treatment episode is completed or the client is re-enrolled in a state prepaid health plan
28.16 if the client:

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

28.19 (2) is eligible according to paragraphs (a) and (b) and is determined eligible by a local
28.20 agency under section 254B.04.

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

28.25 Sec. 31. Minnesota Statutes 2022, section 254B.04, subdivision 2a, is amended to read:

28.26 Subd. 2a. **Eligibility for treatment in residential settings room and board services**
28.27 **for persons in outpatient substance use disorder treatment.** ~~Notwithstanding provisions~~
28.28 ~~of Minnesota Rules, part 9530.6622, subparts 5 and 6, related to an assessor's discretion in~~
28.29 ~~making placements to residential treatment settings,~~ A person eligible for room and board
28.30 services under this section 254B.05, subdivision 5, paragraph (b), clause (12), must score
28.31 at level 4 on assessment dimensions related to readiness to change, relapse, continued use,
28.32 or recovery environment in order to be assigned to services with a room and board component

29.1 reimbursed under this section. Whether a treatment facility has been designated an institution
29.2 for mental diseases under United States Code, title 42, section 1396d, shall not be a factor
29.3 in making placements.

29.4 Sec. 32. Minnesota Statutes 2022, section 254B.04, is amended by adding a subdivision
29.5 to read:

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

29.8 (b) Dimension 1: Acute intoxication/withdrawal potential. A vendor must use the criteria
29.9 in Dimension 1 to determine a client's acute intoxication and withdrawal potential, the
29.10 client's ability to cope with withdrawal symptoms, and the client's current state of
29.11 intoxication.

29.12 "0" The client displays full functioning with good ability to tolerate and cope with
29.13 withdrawal discomfort, and the client shows no signs or symptoms of intoxication or
29.14 withdrawal or diminishing signs or symptoms.

29.15 "1" The client can tolerate and cope with withdrawal discomfort. The client displays
29.16 mild to moderate intoxication or signs and symptoms interfering with daily functioning but
29.17 does not immediately endanger self or others. The client poses a minimal risk of severe
29.18 withdrawal.

29.19 "2" The client has some difficulty tolerating and coping with withdrawal discomfort.
29.20 The client's intoxication may be severe but responds to support and treatment such that the
29.21 client does not immediately endanger self or others. The client displays moderate signs and
29.22 symptoms of withdrawal with moderate risk of severe withdrawal.

29.23 "3" The client tolerates and copes with withdrawal discomfort poorly. The client has
29.24 severe intoxication, such that the client endangers self or others, or intoxication has not
29.25 abated with less intensive services. The client displays severe signs and symptoms of
29.26 withdrawal, has a risk of severe but manageable withdrawal, or has worsening withdrawal
29.27 despite detoxification at less intensive level.

29.28 "4" The client is incapacitated with severe signs and symptoms. The client displays
29.29 severe withdrawal and is a danger to self or others.

29.30 (c) Dimension 2: biomedical conditions and complications. The vendor must use the
29.31 criteria in Dimension 2 to determine a client's biomedical conditions and complications, the
29.32 degree to which any physical disorder of the client would interfere with treatment for
29.33 substance use, and the client's ability to tolerate any related discomfort. If the client is

30.1 pregnant, the provider must determine the impact of continued substance use on the unborn
30.2 child.

30.3 "0" The client displays full functioning with good ability to cope with physical discomfort.

30.4 "1" The client tolerates and copes with physical discomfort and is able to get the services
30.5 that the client needs.

30.6 "2" The client has difficulty tolerating and coping with physical problems or has other
30.7 biomedical problems that interfere with recovery and treatment. The client neglects or does
30.8 not seek care for serious biomedical problems.

30.9 "3" The client tolerates and copes poorly with physical problems or has poor general
30.10 health. The client neglects the client's medical problems without active assistance.

30.11 "4" The client is unable to participate in substance use disorder treatment and has severe
30.12 medical problems, a condition that requires immediate intervention, or is incapacitated.

30.13 (d) Dimension 3: Emotional, behavioral, and cognitive conditions and complications.
30.14 The vendor must use the criteria in Dimension 3 to determine a client's: emotional, behavioral,
30.15 and cognitive conditions and complications; the degree to which any condition or
30.16 complication is likely to interfere with treatment for substance use or with functioning in
30.17 significant life areas; and the likelihood of harm to self or others.

30.18 "0" The client has good impulse control and coping skills and presents no risk of harm
30.19 to self or others. The client functions in all life areas and displays no emotional, behavioral,
30.20 or cognitive problems or the problems are stable.

30.21 "1" The client has impulse control and coping skills. The client presents a mild to
30.22 moderate risk of harm to self or others or displays symptoms of emotional, behavioral, or
30.23 cognitive problems. The client has a mental health diagnosis and is stable. The client
30.24 functions adequately in significant life areas.

30.25 "2" The client has difficulty with impulse control and lacks coping skills. The client has
30.26 thoughts of suicide or harm to others without means; however, the thoughts may interfere
30.27 with participation in some activities. The client has difficulty functioning in significant life
30.28 areas. The client has moderate symptoms of emotional, behavioral, or cognitive problems.
30.29 The client is able to participate in most treatment activities.

30.30 "3" The client has a severe lack of impulse control and coping skills. The client also has
30.31 frequent thoughts of suicide or harm to others including a plan and the means to carry out
30.32 the plan. In addition, the client is severely impaired in significant life areas and has severe

31.1 symptoms of emotional, behavioral, or cognitive problems that interfere with the client's
31.2 participation in treatment activities.

31.3 "4" The client has severe emotional or behavioral symptoms that place the client or
31.4 others at acute risk of harm. The client also has intrusive thoughts of harming self or others.
31.5 The client is unable to participate in treatment activities.

31.6 (e) Dimension 4: Readiness for change. The vendor must use the criteria in Dimension
31.7 4 to determine a client's readiness for change and the support necessary to keep the client
31.8 involved in treatment services.

31.9 "0" The client is cooperative, motivated, ready to change, admits problems, committed
31.10 to change, and engaged in treatment as a responsible participant.

31.11 "1" The client is motivated with active reinforcement to explore treatment and strategies
31.12 for change but ambivalent about illness or need for change.

31.13 "2" The client displays verbal compliance, but lacks consistent behaviors; has low
31.14 motivation for change; and is passively involved in treatment.

31.15 "3" The client displays inconsistent compliance, minimal awareness of either the client's
31.16 addiction or mental disorder, and is minimally cooperative.

31.17 "4" The client is:

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

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

31.23 (f) Dimension 5: Relapse, continued use, and continued problem potential. The vendor
31.24 must use the criteria in Dimension 5 to determine a client's relapse, continued use, and
31.25 continued problem potential and the degree to which the client recognizes relapse issues
31.26 and has the skills to prevent relapse of either substance use or mental health problems.

31.27 "0" The client recognizes risk well and is able to manage potential problems.

31.28 "1" The client recognizes relapse issues and prevention strategies but displays some
31.29 vulnerability for further substance use or mental health problems.

31.30 "2" The client has:

32.1 (i) minimal recognition and understanding of relapse and recidivism issues and displays
32.2 moderate vulnerability for further substance use or mental health problems; or

32.3 (ii) some coping skills inconsistently applied.

32.4 "3" The client has poor recognition and understanding of relapse and recidivism issues
32.5 and displays moderately high vulnerability for further substance use or mental health
32.6 problems. The client has few coping skills and rarely applies coping skills.

32.7 "4" The client has no coping skills to arrest mental health or addiction illnesses or prevent
32.8 relapse. The client has no recognition or understanding of relapse and recidivism issues and
32.9 displays high vulnerability for further substance use disorder or mental health problems.

32.10 (g) Dimension 6: Recovery environment. The vendor must use the criteria in Dimension
32.11 6 to determine a client's recovery environment, whether the areas of the client's life are
32.12 supportive of or antagonistic to treatment participation and recovery.

32.13 "0" The client is engaged in structured meaningful activity and has a supportive significant
32.14 other, family, and living environment.

32.15 "1" The client has passive social network support, or family and significant other are
32.16 not interested in the client's recovery. The client is engaged in structured meaningful activity.

32.17 "2" The client is engaged in structured, meaningful activity, but peers, family, significant
32.18 other, and living environment are unsupportive, or there is criminal justice involvement by
32.19 the client or among the client's peers, significant other, or in the client's living environment.

32.20 "3" The client is not engaged in structured meaningful activity and the client's peers,
32.21 family, significant other, and living environment are unsupportive, or there is significant
32.22 criminal justice system involvement.

32.23 "4" The client has:

32.24 (i) a chronically antagonistic significant other, living environment, family, peer group,
32.25 or long-term criminal justice involvement that is harmful to recovery or treatment progress;
32.26 or

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

33.1 Sec. 33. Minnesota Statutes 2022, section 254B.04, is amended by adding a subdivision
33.2 to read:

33.3 Subd. 5. Local agency responsibility to provide services. The local agency may employ
33.4 individuals to conduct administrative activities and facilitate access to substance use disorder
33.5 treatment services.

33.6 Sec. 34. Minnesota Statutes 2022, section 254B.04, is amended by adding a subdivision
33.7 to read:

33.8 Subd. 6. Local agency to determine client financial eligibility. (a) The local agency
33.9 shall determine a client's financial eligibility for the behavioral health fund according to
33.10 section 254B.04, subdivision 1a, with the income calculated prospectively for one year from
33.11 the date of comprehensive assessment. The local agency shall pay for eligible clients
33.12 according to chapter 256G. The local agency shall enter the financial eligibility span within
33.13 ten calendar days of request. Client eligibility must be determined using forms prescribed
33.14 by the department. To determine a client's eligibility, the local agency must determine the
33.15 client's income, the size of the client's household, the availability of a third-party payment
33.16 source, and a responsible relative's ability to pay for the client's substance use disorder
33.17 treatment.

33.18 (b) A client who is a minor child must not be deemed to have income available to pay
33.19 for substance use disorder treatment, unless the minor child is responsible for payment under
33.20 section 144.347 for substance use disorder treatment services sought under section 144.343,
33.21 subdivision 1.

33.22 (c) The local agency must determine the client's household size as follows:

33.23 (1) if the client is a minor child, the household size includes the following persons living
33.24 in the same dwelling unit:

33.25 (i) the client;

33.26 (ii) the client's birth or adoptive parents; and

33.27 (iii) the client's siblings who are minors; and

33.28 (2) if the client is an adult, the household size includes the following persons living in
33.29 the same dwelling unit:

33.30 (i) the client;

33.31 (ii) the client's spouse;

34.1 (iii) the client's minor children; and

34.2 (iv) the client's spouse's minor children.

34.3 For purposes of this paragraph, household size includes a person listed in clauses (1) and
34.4 (2) who is in an out-of-home placement if a person listed in clause (1) or (2) is contributing
34.5 to the cost of care of the person in out-of-home placement.

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

34.9 (e) The local agency must provide the required eligibility information to the department
34.10 in the manner specified by the department.

34.11 (f) The local agency shall require the client and policyholder to conditionally assign to
34.12 the department the client and policyholder's rights and the rights of minor children to benefits
34.13 or services provided to the client if the department is required to collect from a third-party
34.14 pay source.

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

34.17 (h) A client, responsible relative, and policyholder must provide income or wage
34.18 verification, household size verification, and must make an assignment of third-party payment
34.19 rights under paragraph (f). If a client, responsible relative, or policyholder does not comply
34.20 with the provisions of this subdivision, the client is ineligible for behavioral health fund
34.21 payment for substance use disorder treatment, and the client and responsible relative must
34.22 be obligated to pay for the full cost of substance use disorder treatment services provided
34.23 to the client.

34.24 Sec. 35. Minnesota Statutes 2022, section 254B.04, is amended by adding a subdivision
34.25 to read:

34.26 Subd. 7. **Client fees.** A client whose household income is within current household size
34.27 and income guidelines for entitled persons as defined in section 254B.04, subdivision 1a,
34.28 must pay no fee for care related to substance use disorder, including drug screens.

35.1 Sec. 36. Minnesota Statutes 2022, section 254B.04, is amended by adding a subdivision
35.2 to read:

35.3 Subd. 8. **Vendor must participate in DAANES system.** To be eligible for payment
35.4 under the behavioral health fund, a vendor must participate in the Drug and Alcohol Abuse
35.5 Normative Evaluation System (DAANES) or submit to the commissioner the information
35.6 required in the DAANES in the format specified by the commissioner.

35.7 Sec. 37. Minnesota Statutes 2022, section 256D.09, subdivision 2a, is amended to read:

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

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

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

35.18 (i) the odor of alcohol;

35.19 (ii) slurred speech;

35.20 (iii) disconjugate gaze;

35.21 (iv) impaired balance;

35.22 (v) difficulty remaining awake;

35.23 (vi) consumption of alcohol;

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

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

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

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

36.1 The assessment and determination of drug dependency, if any, must be made by an
36.2 assessor qualified under ~~Minnesota Rules, part 9530.6615, subpart 2~~ section 245G.11,
36.3 subdivisions 1 and 5, to perform an assessment of chemical use. The county shall only
36.4 provide emergency general assistance or vendor payments to an otherwise eligible applicant
36.5 or recipient who is determined to be drug dependent, except up to 15 percent of the grant
36.6 amount the person would otherwise receive may be paid in cash. Notwithstanding subdivision
36.7 1, the commissioner of human services shall also require county agencies to provide
36.8 assistance only in the form of vendor payments to all eligible recipients who assert substance
36.9 use disorder as a basis for eligibility under section 256D.05, subdivision 1, paragraph (a),
36.10 clauses (1) and (5).

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

36.14 Sec. 38. Minnesota Statutes 2022, section 256L.03, subdivision 2, is amended to read:

36.15 Subd. 2. **Substance use disorder.** Beginning July 1, 1993, covered health services shall
36.16 include individual outpatient treatment of substance use disorder by a qualified health
36.17 professional or outpatient program.

36.18 Persons who may need substance use disorder services under the provisions of this
36.19 chapter ~~shall be assessed by a local agency as defined under section 254B.01~~ must be
36.20 assessed by a qualified professional as defined in section 245G.11, subdivisions 1 and 5,
36.21 and under the assessment provisions of section 254A.03, subdivision 3. A local agency or
36.22 managed care plan under contract with the Department of Human Services must ~~place~~ offer
36.23 services to a person in need of substance use disorder services as provided in Minnesota
36.24 Rules, parts 9530.6600 to 9530.6655 based on the recommendations of section 245G.05.
36.25 Persons who are recipients of medical benefits under the provisions of this chapter and who
36.26 are financially eligible for behavioral health fund services provided under the provisions of
36.27 chapter 254B shall receive substance use disorder treatment services under the provisions
36.28 of chapter 254B only if:

36.29 (1) they have exhausted the substance use disorder benefits offered under this chapter;
36.30 or

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

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

37.7 Sec. 39. Minnesota Statutes 2022, section 256L.12, subdivision 8, is amended to read:

37.8 Subd. 8. **Substance use disorder assessments.** The managed care plan shall be
37.9 responsible for assessing the need and ~~placement for~~ provision of substance use disorder
37.10 services according to criteria set forth in ~~Minnesota Rules, parts 9530.6600 to 9530.6655~~
37.11 section 245G.05.

37.12 Sec. 40. Minnesota Statutes 2022, section 260B.157, subdivision 1, is amended to read:

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

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

37.31 The court shall order a children's mental health screening conducted when a child is
37.32 found to be delinquent. The screening shall be conducted with a screening instrument
37.33 approved by the commissioner of human services and shall be conducted by a mental health

38.1 practitioner as defined in section 245.4871, subdivision 26, or a probation officer who is
38.2 trained in the use of the screening instrument. If the screening indicates a need for assessment,
38.3 the local social services agency, in consultation with the child's family, shall have a diagnostic
38.4 assessment conducted, including a functional assessment, as defined in section 245.4871.

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

38.15 Sec. 41. Minnesota Statutes 2022, section 260B.157, subdivision 3, is amended to read:

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

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

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

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

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

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

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

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

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

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

39.22 Sec. 42. Minnesota Statutes 2022, section 260C.157, subdivision 3, is amended to read:

39.23 Subd. 3. **Juvenile treatment screening team.** (a) The responsible social services agency
39.24 shall establish a juvenile treatment screening team to conduct screenings under this chapter
39.25 and chapter 260D, for a child to receive treatment for an emotional disturbance, a
39.26 developmental disability, or related condition in a residential treatment facility licensed by
39.27 the commissioner of human services under chapter 245A, or licensed or approved by a tribe.
39.28 A screening team is not required for a child to be in: (1) a residential facility specializing
39.29 in prenatal, postpartum, or parenting support; (2) a facility specializing in high-quality
39.30 residential care and supportive services to children and youth who have been or are at risk
39.31 of becoming victims of sex trafficking or commercial sexual exploitation; (3) supervised
39.32 settings for youth who are 18 years of age or older and living independently; or (4) a licensed
39.33 residential family-based treatment facility for substance abuse consistent with section

40.1 260C.190. Screenings are also not required when a child must be placed in a facility due to
40.2 an emotional crisis or other mental health emergency.

40.3 (b) The responsible social services agency shall conduct screenings within 15 days of a
40.4 request for a screening, unless the screening is for the purpose of residential treatment and
40.5 the child is enrolled in a prepaid health program under section 256B.69, in which case the
40.6 agency shall conduct the screening within ten working days of a request. The responsible
40.7 social services agency shall convene the juvenile treatment screening team, which may be
40.8 constituted under section 245.4885, 254B.05, or 256B.092 ~~or Minnesota Rules, parts~~
40.9 ~~9530.6600 to 9530.6655~~. The team shall consist of social workers; persons with expertise
40.10 in the treatment of juveniles who are emotionally disturbed, chemically dependent, or have
40.11 a developmental disability; and the child's parent, guardian, or permanent legal custodian.
40.12 The team may include the child's relatives as defined in section 260C.007, subdivisions 26b
40.13 and 27, the child's foster care provider, and professionals who are a resource to the child's
40.14 family such as teachers, medical or mental health providers, and clergy, as appropriate,
40.15 consistent with the family and permanency team as defined in section 260C.007, subdivision
40.16 16a. Prior to forming the team, the responsible social services agency must consult with the
40.17 child's parents, the child if the child is age 14 or older, and, if applicable, the child's tribe
40.18 to obtain recommendations regarding which individuals to include on the team and to ensure
40.19 that the team is family-centered and will act in the child's best interests. If the child, child's
40.20 parents, or legal guardians raise concerns about specific relatives or professionals, the team
40.21 should not include those individuals. This provision does not apply to paragraph (c).

40.22 (c) If the agency provides notice to tribes under section 260.761, and the child screened
40.23 is an Indian child, the responsible social services agency must make a rigorous and concerted
40.24 effort to include a designated representative of the Indian child's tribe on the juvenile
40.25 treatment screening team, unless the child's tribal authority declines to appoint a
40.26 representative. The Indian child's tribe may delegate its authority to represent the child to
40.27 any other federally recognized Indian tribe, as defined in section 260.755, subdivision 12.
40.28 The provisions of the Indian Child Welfare Act of 1978, United States Code, title 25, sections
40.29 1901 to 1963, and the Minnesota Indian Family Preservation Act, sections 260.751 to
40.30 260.835, apply to this section.

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

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

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

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

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

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

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

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

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

42.1 Sec. 43. Minnesota Statutes 2022, section 260E.20, subdivision 1, is amended to read:

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

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

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

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

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

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

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

42.24 (h) The agency may use either a family assessment or investigation to determine whether
42.25 the child is safe when responding to a report resulting from birth match data under section
42.26 260E.03, subdivision 23, paragraph (c). If the child subject of birth match data is determined
42.27 to be safe, the agency shall consult with the county attorney to determine the appropriateness
42.28 of filing a petition alleging the child is in need of protection or services under section
42.29 260C.007, subdivision 6, clause (16), in order to deliver needed services. If the child is
42.30 determined not to be safe, the agency and the county attorney shall take appropriate action
42.31 as required under section 260C.503, subdivision 2.

43.1 Sec. 44. Minnesota Statutes 2022, section 299A.299, subdivision 1, is amended to read:

43.2 Subdivision 1. **Establishment of team.** A county, a multicounty organization of counties
 43.3 formed by an agreement under section 471.59, or a city with a population of no more than
 43.4 50,000, may establish a multidisciplinary chemical abuse prevention team. The chemical
 43.5 abuse prevention team may include, but not be limited to, representatives of health, mental
 43.6 health, public health, law enforcement, educational, social service, court service, community
 43.7 education, religious, and other appropriate agencies, and parent and youth groups. For
 43.8 purposes of this section, "chemical abuse" has the meaning given in ~~Minnesota Rules, part~~
 43.9 ~~9530.6605, subpart 6~~ section 254A.02, subdivision 6a. When possible the team must
 43.10 coordinate its activities with existing local groups, organizations, and teams dealing with
 43.11 the same issues the team is addressing.

43.12 Sec. 45. **REVISOR INSTRUCTION.**

43.13 The revisor of statutes shall renumber the subdivisions in Minnesota Statutes, section
 43.14 254B.01, in alphabetical order and correct any cross-reference changes that result.

43.15 Sec. 46. **REPEALER.**

43.16 (a) Minnesota Statutes 2022, sections 169A.70, subdivision 6; 245G.22, subdivision 19;
 43.17 254A.02, subdivision 8a; 254A.16, subdivision 6; 254A.19, subdivisions 1a, 2, and 5;
 43.18 254B.04, subdivisions 2b and 2c; and 254B.041, subdivision 2, are repealed.

43.19 (b) Minnesota Rules, parts 9530.7000, subparts 1, 2, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 17a,
 43.20 19, 20, and 21; 9530.7005; 9530.7010; 9530.7012; 9530.7015, subparts 1, 2a, 4, 5, and 6;
 43.21 9530.7020, subparts 1, 1a, and 2; 9530.7021; 9530.7022, subpart 1; 9530.7025; and
 43.22 9530.7030, subpart 1, are repealed.

43.23 **ARTICLE 3**

43.24 **AGING, DISABILITY, AND BEHAVIORAL HEALTH SERVICES POLICY**

43.25 Section 1. Minnesota Statutes 2022, section 245.462, subdivision 3, is amended to read:

43.26 Subd. 3. **Case management services.** "Case management services" means activities
 43.27 that are coordinated with the community support services program as defined in subdivision
 43.28 6 and are designed to help adults with serious and persistent mental illness in gaining access
 43.29 to needed medical, social, educational, vocational, and other necessary services as they
 43.30 relate to the client's mental health needs. Case management services include developing a
 43.31 functional assessment, an individual ~~assessment summary~~ community support plan, referring

44.1 and assisting the person to obtain needed mental health and other services, ensuring
44.2 coordination of services, and monitoring the delivery of services.

44.3 Sec. 2. Minnesota Statutes 2022, section 245.462, subdivision 12, is amended to read:

44.4 Subd. 12. **Individual ~~assessment summary~~ community support plan**. "Individual
44.5 ~~assessment summary~~ community support plan" means a written plan developed by a case
44.6 manager on the basis of a diagnostic assessment and functional assessment. The plan
44.7 identifies specific services needed by an adult with serious and persistent mental illness to
44.8 develop independence or improved functioning in daily living, health and medication
44.9 management, social functioning, interpersonal relationships, financial management, housing,
44.10 transportation, and employment.

44.11 Sec. 3. Minnesota Statutes 2022, section 245.4711, subdivision 3, is amended to read:

44.12 Subd. 3. **Duties of case manager**. Upon a determination of eligibility for case
44.13 management services, and if the adult consents to the services, the case manager shall
44.14 complete a written functional assessment according to section 245.462, subdivision 11a.
44.15 The case manager shall develop an individual ~~assessment summary~~ community support
44.16 plan for the adult according to subdivision 4, paragraph (a), review the adult's progress, and
44.17 monitor the provision of services. If services are to be provided in a host county that is not
44.18 the county of financial responsibility, the case manager shall consult with the host county
44.19 and obtain a letter demonstrating the concurrence of the host county regarding the provision
44.20 of services.

44.21 Sec. 4. Minnesota Statutes 2022, section 245.4711, subdivision 4, is amended to read:

44.22 Subd. 4. **Individual ~~assessment summary~~ community support plan**. (a) The case
44.23 manager must develop an individual ~~assessment summary~~ community support plan for each
44.24 adult that incorporates the client's individual treatment plan. The individual treatment plan
44.25 may not be a substitute for the development of an individual ~~assessment summary~~ community
44.26 support plan. The individual ~~assessment summary~~ community support plan must be developed
44.27 within 30 days of client intake and reviewed at least every 180 days after it is developed,
44.28 unless the case manager receives a written request from the client or the client's family for
44.29 a review of the plan every 90 days after it is developed. The case manager is responsible
44.30 for developing the individual ~~assessment summary~~ community support plan based on a
44.31 diagnostic assessment and a functional assessment and for implementing and monitoring
44.32 the delivery of services according to the individual ~~assessment summary~~ community support
44.33 plan. To the extent possible, the adult with serious and persistent mental illness, the person's

45.1 family, advocates, service providers, and significant others must be involved in all phases
45.2 of development and implementation of the individual ~~or family assessment summary~~
45.3 community support plan.

45.4 (b) The client's individual ~~assessment summary~~ community support plan must state:

45.5 (1) the goals of each service;

45.6 (2) the activities for accomplishing each goal;

45.7 (3) a schedule for each activity; and

45.8 (4) the frequency of face-to-face contacts by the case manager, as appropriate to client
45.9 need and the implementation of the individual ~~assessment summary~~ community support
45.10 plan.

45.11 Sec. 5. Minnesota Statutes 2022, section 245.477, is amended to read:

45.12 **245.477 APPEALS.**

45.13 Any adult who requests mental health services under sections 245.461 to 245.486 must
45.14 be advised of services available and the right to appeal at the time of the request and each
45.15 time the individual ~~assessment summary~~ community support plan or individual treatment
45.16 plan is reviewed. Any adult whose request for mental health services under sections 245.461
45.17 to 245.486 is denied, not acted upon with reasonable promptness, or whose services are
45.18 suspended, reduced, or terminated by action or inaction for which the county board is
45.19 responsible under sections 245.461 to 245.486 may contest that action or inaction before
45.20 the state agency as specified in section 256.045. The commissioner shall monitor the nature
45.21 and frequency of administrative appeals under this section.

45.22 Sec. 6. Minnesota Statutes 2022, section 245.4835, subdivision 2, is amended to read:

45.23 Subd. 2. **Failure to maintain expenditures.** (a) If a county does not comply with
45.24 subdivision 1, the commissioner shall require the county to develop a corrective action plan
45.25 according to a format and timeline established by the commissioner. If the commissioner
45.26 determines that a county has not developed an acceptable corrective action plan within the
45.27 required timeline, or that the county is not in compliance with an approved corrective action
45.28 plan, the protections provided to that county under section 245.485 do not apply.

45.29 (b) The commissioner shall consider the following factors to determine whether to
45.30 approve a county's corrective action plan:

46.1 (1) the degree to which a county is maximizing revenues for mental health services from
46.2 noncounty sources;

46.3 (2) the degree to which a county is expanding use of alternative services that meet mental
46.4 health needs, but do not count as mental health services within existing reporting systems.
46.5 If approved by the commissioner, the alternative services must be included in the county's
46.6 base as well as subsequent years. The commissioner's approval for alternative services must
46.7 be based on the following criteria:

46.8 (i) the service must be provided to children with emotional disturbance or adults with
46.9 mental illness;

46.10 (ii) the services must be based on an individual treatment plan or individual ~~assessment~~
46.11 ~~summary~~ community support plan as defined in the Comprehensive Mental Health Act;
46.12 and

46.13 (iii) the services must be supervised by a mental health professional and provided by
46.14 staff who meet the staff qualifications defined in sections 256B.0943, subdivision 7, and
46.15 256B.0623, subdivision 5.

46.16 (c) Additional county expenditures to make up for the prior year's underspending may
46.17 be spread out over a two-year period.

46.18 Sec. 7. Minnesota Statutes 2022, section 245.4871, subdivision 3, is amended to read:

46.19 Subd. 3. **Case management services.** "Case management services" means activities
46.20 that are coordinated with the family community support services and are designed to help
46.21 the child with severe emotional disturbance and the child's family obtain needed mental
46.22 health services, social services, educational services, health services, vocational services,
46.23 recreational services, and related services in the areas of volunteer services, advocacy,
46.24 transportation, and legal services. Case management services include assisting in obtaining
46.25 a comprehensive diagnostic assessment, developing an individual family ~~assessment summary~~
46.26 community support plan, and assisting the child and the child's family in obtaining needed
46.27 services by coordination with other agencies and assuring continuity of care. Case managers
46.28 must assess and reassess the delivery, appropriateness, and effectiveness of services over
46.29 time.

46.30 Sec. 8. Minnesota Statutes 2022, section 245.4871, subdivision 19, is amended to read:

46.31 Subd. 19. **Individual family ~~assessment summary~~ community support**
46.32 **plan.** "Individual family ~~assessment summary~~ community support plan" means a written

47.1 plan developed by a case manager in conjunction with the family and the child with severe
47.2 emotional disturbance on the basis of a diagnostic assessment and a functional assessment.

47.3 The plan identifies specific services needed by a child and the child's family to:

47.4 (1) treat the symptoms and dysfunctions determined in the diagnostic assessment;

47.5 (2) relieve conditions leading to emotional disturbance and improve the personal
47.6 well-being of the child;

47.7 (3) improve family functioning;

47.8 (4) enhance daily living skills;

47.9 (5) improve functioning in education and recreation settings;

47.10 (6) improve interpersonal and family relationships;

47.11 (7) enhance vocational development; and

47.12 (8) assist in obtaining transportation, housing, health services, and employment.

47.13 Sec. 9. Minnesota Statutes 2022, section 245.4873, subdivision 4, is amended to read:

47.14 Subd. 4. **Individual case coordination.** The case manager designated under section
47.15 245.4881 is responsible for ongoing coordination with any other person responsible for
47.16 planning, development, and delivery of social services, education, corrections, health, or
47.17 vocational services for the individual child. The individual family assessment summary
47.18 community support plan developed by the case manager shall reflect the coordination among
47.19 the local service system providers.

47.20 Sec. 10. Minnesota Statutes 2022, section 245.4881, subdivision 3, is amended to read:

47.21 Subd. 3. **Duties of case manager.** (a) Upon a determination of eligibility for case
47.22 management services, the case manager shall develop an individual family ~~assessment~~
47.23 ~~summary~~ community support plan for a child as specified in subdivision 4, review the child's
47.24 progress, and monitor the provision of services. If services are to be provided in a host
47.25 county that is not the county of financial responsibility, the case manager shall consult with
47.26 the host county and obtain a letter demonstrating the concurrence of the host county regarding
47.27 the provision of services.

47.28 (b) The case manager shall note in the child's record the services needed by the child
47.29 and the child's family, the services requested by the family, services that are not available,
47.30 and the unmet needs of the child and child's family. The case manager shall note this
47.31 provision in the child's record.

48.1 Sec. 11. Minnesota Statutes 2022, section 245.4881, subdivision 4, is amended to read:

48.2 Subd. 4. **Individual family ~~assessment summary~~ community support plan.** (a) For
48.3 each child, the case manager must develop an individual family ~~assessment summary~~
48.4 community support plan that incorporates the child's individual treatment plan. The individual
48.5 treatment plan may not be a substitute for the development of an individual family ~~assessment~~
48.6 ~~summary~~ community support plan. The case manager is responsible for developing the
48.7 individual family ~~assessment summary~~ community support plan within 30 days of intake
48.8 based on a diagnostic assessment and for implementing and monitoring the delivery of
48.9 services according to the individual family ~~assessment summary~~ community support plan.
48.10 The case manager must review the plan at least every 180 calendar days after it is developed,
48.11 unless the case manager has received a written request from the child's family or an advocate
48.12 for the child for a review of the plan every 90 days after it is developed. To the extent
48.13 appropriate, the child with severe emotional disturbance, the child's family, advocates,
48.14 service providers, and significant others must be involved in all phases of development and
48.15 implementation of the individual family ~~assessment summary~~ community support plan.
48.16 Notwithstanding the lack of an individual family ~~assessment summary~~ community support
48.17 plan, the case manager shall assist the child and child's family in accessing the needed
48.18 services listed in section 245.4884, subdivision 1.

48.19 (b) The child's individual family ~~assessment summary~~ community support plan must
48.20 state:

48.21 (1) the goals and expected outcomes of each service and criteria for evaluating the
48.22 effectiveness and appropriateness of the service;

48.23 (2) the activities for accomplishing each goal;

48.24 (3) a schedule for each activity; and

48.25 (4) the frequency of face-to-face contacts by the case manager, as appropriate to client
48.26 need and the implementation of the individual family ~~assessment summary~~ community
48.27 support plan.

48.28 Sec. 12. Minnesota Statutes 2022, section 245.4885, subdivision 1, is amended to read:

48.29 Subdivision 1. **Admission criteria.** (a) Prior to admission or placement, except in the
48.30 case of an emergency, all children referred for treatment of severe emotional disturbance
48.31 in a treatment foster care setting, residential treatment facility, or informally admitted to a
48.32 regional treatment center shall undergo an assessment to determine the appropriate level of
48.33 care if county funds are used to pay for the child's services. An emergency includes when

49.1 a child is in need of and has been referred for crisis stabilization services under section
49.2 245.4882, subdivision 6. A child who has been referred to residential treatment for crisis
49.3 stabilization services in a residential treatment center is not required to undergo an assessment
49.4 under this section.

49.5 (b) The county board shall determine the appropriate level of care for a child when
49.6 county-controlled funds are used to pay for the child's residential treatment under this
49.7 chapter, including residential treatment provided in a qualified residential treatment program
49.8 as defined in section 260C.007, subdivision 26d. When a county board does not have
49.9 responsibility for a child's placement and the child is enrolled in a prepaid health program
49.10 under section 256B.69, the enrolled child's contracted health plan must determine the
49.11 appropriate level of care for the child. When Indian Health Services funds or funds of a
49.12 tribally owned facility funded under the Indian Self-Determination and Education Assistance
49.13 Act, Public Law 93-638, are used for the child, the Indian Health Services or 638 tribal
49.14 health facility must determine the appropriate level of care for the child. When more than
49.15 one entity bears responsibility for a child's coverage, the entities shall coordinate level of
49.16 care determination activities for the child to the extent possible.

49.17 (c) The child's level of care determination shall determine whether the proposed treatment:

49.18 (1) is necessary;

49.19 (2) is appropriate to the child's individual treatment needs;

49.20 (3) cannot be effectively provided in the child's home; and

49.21 (4) provides a length of stay as short as possible consistent with the individual child's
49.22 needs.

49.23 (d) When a level of care determination is conducted, the county board or other entity
49.24 may not determine that a screening of a child, referral, or admission to a residential treatment
49.25 facility is not appropriate solely because services were not first provided to the child in a
49.26 less restrictive setting and the child failed to make progress toward or meet treatment goals
49.27 in the less restrictive setting. The level of care determination must be based on a diagnostic
49.28 assessment of a child that evaluates the child's family, school, and community living
49.29 situations; and an assessment of the child's need for care out of the home using a validated
49.30 tool which assesses a child's functional status and assigns an appropriate level of care to the
49.31 child. The validated tool must be approved by the commissioner of human services and
49.32 may be the validated tool approved for the child's assessment under section 260C.704 if the
49.33 juvenile treatment screening team recommended placement of the child in a qualified
49.34 residential treatment program. If a diagnostic assessment has been completed by a mental

50.1 health professional within the past 180 days, a new diagnostic assessment need not be
50.2 completed unless in the opinion of the current treating mental health professional the child's
50.3 mental health status has changed markedly since the assessment was completed. The child's
50.4 parent shall be notified if an assessment will not be completed and of the reasons. A copy
50.5 of the notice shall be placed in the child's file. Recommendations developed as part of the
50.6 level of care determination process shall include specific community services needed by
50.7 the child and, if appropriate, the child's family, and shall indicate whether these services
50.8 are available and accessible to the child and the child's family. The child and the child's
50.9 family must be invited to any meeting where the level of care determination is discussed
50.10 and decisions regarding residential treatment are made. The child and the child's family
50.11 may invite other relatives, friends, or advocates to attend these meetings.

50.12 (e) During the level of care determination process, the child, child's family, or child's
50.13 legal representative, as appropriate, must be informed of the child's eligibility for case
50.14 management services and family community support services and that an individual family
50.15 ~~assessment summary~~ community support plan is being developed by the case manager, if
50.16 assigned.

50.17 (f) The level of care determination, placement decision, and recommendations for mental
50.18 health services must be documented in the child's record and made available to the child's
50.19 family, as appropriate.

50.20 Sec. 13. Minnesota Statutes 2022, section 245.4887, is amended to read:

50.21 **245.4887 APPEALS.**

50.22 A child or a child's family, as appropriate, who requests mental health services under
50.23 sections 245.487 to 245.4889 must be advised of services available and the right to appeal
50.24 as described in this section at the time of the request and each time the individual family
50.25 ~~assessment summary~~ community support plan or individual treatment plan is reviewed. A
50.26 child whose request for mental health services under sections 245.487 to 245.4889 is denied,
50.27 not acted upon with reasonable promptness, or whose services are suspended, reduced, or
50.28 terminated by action or inaction for which the county board is responsible under sections
50.29 245.487 to 245.4889 may contest that action or inaction before the state agency according
50.30 to section 256.045. The commissioner shall monitor the nature and frequency of
50.31 administrative appeals under this section.

51.1 Sec. 14. Minnesota Statutes 2022, section 245A.03, subdivision 7, is amended to read:

51.2 Subd. 7. **Licensing moratorium.** (a) The commissioner shall not issue an initial license
51.3 for child foster care licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, or adult
51.4 foster care licensed under Minnesota Rules, parts 9555.5105 to 9555.6265, under this chapter
51.5 for a physical location that will not be the primary residence of the license holder for the
51.6 entire period of licensure. If a family child foster care home or family adult foster care home
51.7 license is issued during this moratorium, and the license holder changes the license holder's
51.8 primary residence away from the physical location of the foster care license, the
51.9 commissioner shall revoke the license according to section 245A.07. The commissioner
51.10 shall not issue an initial license for a community residential setting licensed under chapter
51.11 245D. When approving an exception under this paragraph, the commissioner shall consider
51.12 the resource need determination process in paragraph (h), the availability of foster care
51.13 licensed beds in the geographic area in which the licensee seeks to operate, the results of a
51.14 person's choices during their annual assessment and service plan review, and the
51.15 recommendation of the local county board. The determination by the commissioner is final
51.16 and not subject to appeal. Exceptions to the moratorium include:

51.17 (1) ~~foster care settings~~ a license for a person in a foster care setting that is not the primary
51.18 residence of the license holder and where at least 80 percent of the residents are 55 years
51.19 of age or older;

51.20 (2) foster care licenses replacing foster care licenses in existence on May 15, 2009, or
51.21 community residential setting licenses replacing adult foster care licenses in existence on
51.22 December 31, 2013, and determined to be needed by the commissioner under paragraph
51.23 (b);

51.24 (3) new foster care licenses or community residential setting licenses determined to be
51.25 needed by the commissioner under paragraph (b) for the closure of a nursing facility, ICF/DD,
51.26 or regional treatment center; restructuring of state-operated services that limits the capacity
51.27 of state-operated facilities; or allowing movement to the community for people who no
51.28 longer require the level of care provided in state-operated facilities as provided under section
51.29 256B.092, subdivision 13, or 256B.49, subdivision 24;

51.30 (4) new foster care licenses or community residential setting licenses determined to be
51.31 needed by the commissioner under paragraph (b) for persons requiring hospital-level care;
51.32 or

51.33 (5) new foster care licenses or community residential setting licenses for people receiving
51.34 customized living or 24-hour customized living services under the brain injury or community

52.1 access for disability inclusion waiver plans under section 256B.49 and residing in the
52.2 customized living setting before July 1, 2022, for which a license is required. A customized
52.3 living service provider subject to this exception may rebut the presumption that a license
52.4 is required by seeking a reconsideration of the commissioner's determination. The
52.5 commissioner's disposition of a request for reconsideration is final and not subject to appeal
52.6 under chapter 14. The exception is available until June 30, 2023. This exception is available
52.7 when:

52.8 (i) the person's customized living services are provided in a customized living service
52.9 setting serving four or fewer people under the brain injury or community access for disability
52.10 inclusion waiver plans under section 256B.49 in a single-family home operational on or
52.11 before June 30, 2021. Operational is defined in section 256B.49, subdivision 28;

52.12 (ii) the person's case manager provided the person with information about the choice of
52.13 service, service provider, and location of service, including in the person's home, to help
52.14 the person make an informed choice; and

52.15 (iii) the person's services provided in the licensed foster care or community residential
52.16 setting are less than or equal to the cost of the person's services delivered in the customized
52.17 living setting as determined by the lead agency.

52.18 (b) The commissioner shall determine the need for newly licensed foster care homes or
52.19 community residential settings as defined under this subdivision. As part of the determination,
52.20 the commissioner shall consider the availability of foster care capacity in the area in which
52.21 the licensee seeks to operate, and the recommendation of the local county board. The
52.22 determination by the commissioner must be final. A determination of need is not required
52.23 for a change in ownership at the same address.

52.24 (c) When an adult resident served by the program moves out of a foster home that is not
52.25 the primary residence of the license holder according to section 256B.49, subdivision 15,
52.26 paragraph (f), or the adult community residential setting, the county shall immediately
52.27 inform the Department of Human Services Licensing Division. The department may decrease
52.28 the statewide licensed capacity for adult foster care settings.

52.29 (d) Residential settings that would otherwise be subject to the decreased license capacity
52.30 established in paragraph (c) shall be exempt if the license holder's beds are occupied by
52.31 residents whose primary diagnosis is mental illness and the license holder is certified under
52.32 the requirements in subdivision 6a or section 245D.33.

52.33 (e) A resource need determination process, managed at the state level, using the available
52.34 data required by section 144A.351, and other data and information shall be used to determine

53.1 where the reduced capacity determined under section 256B.493 will be implemented. The
53.2 commissioner shall consult with the stakeholders described in section 144A.351, and employ
53.3 a variety of methods to improve the state's capacity to meet the informed decisions of those
53.4 people who want to move out of corporate foster care or community residential settings,
53.5 long-term service needs within budgetary limits, including seeking proposals from service
53.6 providers or lead agencies to change service type, capacity, or location to improve services,
53.7 increase the independence of residents, and better meet needs identified by the long-term
53.8 services and supports reports and statewide data and information.

53.9 (f) At the time of application and reapplication for licensure, the applicant and the license
53.10 holder that are subject to the moratorium or an exclusion established in paragraph (a) are
53.11 required to inform the commissioner whether the physical location where the foster care
53.12 will be provided is or will be the primary residence of the license holder for the entire period
53.13 of licensure. If the primary residence of the applicant or license holder changes, the applicant
53.14 or license holder must notify the commissioner immediately. The commissioner shall print
53.15 on the foster care license certificate whether or not the physical location is the primary
53.16 residence of the license holder.

53.17 (g) License holders of foster care homes identified under paragraph (f) that are not the
53.18 primary residence of the license holder and that also provide services in the foster care home
53.19 that are covered by a federally approved home and community-based services waiver, as
53.20 authorized under chapter 256S or section 256B.092 or 256B.49, must inform the human
53.21 services licensing division that the license holder provides or intends to provide these
53.22 waiver-funded services.

53.23 (h) The commissioner may adjust capacity to address needs identified in section
53.24 144A.351. Under this authority, the commissioner may approve new licensed settings or
53.25 delicense existing settings. Delicensing of settings will be accomplished through a process
53.26 identified in section 256B.493.

53.27 (i) The commissioner must notify a license holder when its corporate foster care or
53.28 community residential setting licensed beds are reduced under this section. The notice of
53.29 reduction of licensed beds must be in writing and delivered to the license holder by certified
53.30 mail or personal service. The notice must state why the licensed beds are reduced and must
53.31 inform the license holder of its right to request reconsideration by the commissioner. The
53.32 license holder's request for reconsideration must be in writing. If mailed, the request for
53.33 reconsideration must be postmarked and sent to the commissioner within 20 calendar days
53.34 after the license holder's receipt of the notice of reduction of licensed beds. If a request for

54.1 reconsideration is made by personal service, it must be received by the commissioner within
54.2 20 calendar days after the license holder's receipt of the notice of reduction of licensed beds.

54.3 (j) The commissioner shall not issue an initial license for children's residential treatment
54.4 services licensed under Minnesota Rules, parts 2960.0580 to 2960.0700, under this chapter
54.5 for a program that Centers for Medicare and Medicaid Services would consider an institution
54.6 for mental diseases. Facilities that serve only private pay clients are exempt from the
54.7 moratorium described in this paragraph. The commissioner has the authority to manage
54.8 existing statewide capacity for children's residential treatment services subject to the
54.9 moratorium under this paragraph and may issue an initial license for such facilities if the
54.10 initial license would not increase the statewide capacity for children's residential treatment
54.11 services subject to the moratorium under this paragraph.

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

54.13 Sec. 15. Minnesota Statutes 2022, section 245A.11, subdivision 7, is amended to read:

54.14 Subd. 7. **Adult foster care and community residential settings; variance for alternate**
54.15 **overnight supervision.** (a) The commissioner may grant a variance under section 245A.04,
54.16 subdivision 9, to statutes and rule parts requiring a caregiver to be present in an adult foster
54.17 care home or a community residential setting during normal sleeping hours to allow for
54.18 alternative methods of overnight supervision. The commissioner may grant the variance if
54.19 the local county licensing agency recommends the variance and the county recommendation
54.20 includes documentation verifying that:

54.21 (1) the county has approved the license holder's plan for alternative methods of providing
54.22 overnight supervision and determined the plan protects the residents' health, safety, and
54.23 rights;

54.24 (2) the license holder has obtained written and signed informed consent from each
54.25 resident or each resident's legal representative documenting the resident's or legal
54.26 representative's agreement with the alternative method of overnight supervision; and

54.27 (3) the alternative method of providing overnight supervision, which may include the
54.28 use of technology, is specified for each resident in the resident's: (i) individualized plan of
54.29 care; (ii) ~~individual service~~ support plan under section 256B.092, subdivision 1b, if required;
54.30 or (iii) individual resident placement agreement under Minnesota Rules, part 9555.5105,
54.31 subpart 19, if required.

54.32 (b) To be eligible for a variance under paragraph (a), the adult foster care or community
54.33 residential setting license holder must not have had a conditional license issued under section

55.1 245A.06, or any other licensing sanction issued under section 245A.07 during the prior 24
55.2 months based on failure to provide adequate supervision, health care services, or resident
55.3 safety in the adult foster care home or community residential setting.

55.4 (c) A license holder requesting a variance under this subdivision to utilize technology
55.5 as a component of a plan for alternative overnight supervision may request the commissioner's
55.6 review in the absence of a county recommendation. Upon receipt of such a request from a
55.7 license holder, the commissioner shall review the variance request with the county.

55.8 ~~(d) A variance granted by the commissioner according to this subdivision before January~~
55.9 ~~1, 2014, to a license holder for an adult foster care home must transfer with the license when~~
55.10 ~~the license converts to a community residential setting license under chapter 245D. The~~
55.11 ~~terms and conditions of the variance remain in effect as approved at the time the variance~~
55.12 ~~was granted.~~

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

55.14 Sec. 16. Minnesota Statutes 2022, section 245A.16, subdivision 1, is amended to read:

55.15 Subdivision 1. **Delegation of authority to agencies.** (a) County agencies and private
55.16 agencies that have been designated or licensed by the commissioner to perform licensing
55.17 functions and activities under section 245A.04 and background studies for family child care
55.18 under chapter 245C; to recommend denial of applicants under section 245A.05; to issue
55.19 correction orders, to issue variances, and recommend a conditional license under section
55.20 245A.06; or to recommend suspending or revoking a license or issuing a fine under section
55.21 245A.07, shall comply with rules and directives of the commissioner governing those
55.22 functions and with this section. The following variances are excluded from the delegation
55.23 of variance authority and may be issued only by the commissioner:

55.24 (1) dual licensure of family child care and family child foster care, dual licensure of
55.25 family child foster care and family adult foster care, dual licensure of child foster residence
55.26 setting and community residential setting, and dual licensure of family adult foster care and
55.27 family child care;

55.28 (2) adult foster care maximum capacity;

55.29 (3) adult foster care minimum age requirement;

55.30 (4) child foster care maximum age requirement;

55.31 (5) variances regarding disqualified individuals except that, before the implementation
55.32 of NETStudy 2.0, county agencies may issue variances under section 245C.30 regarding

56.1 disqualified individuals when the county is responsible for conducting a consolidated
56.2 reconsideration according to sections 245C.25 and 245C.27, subdivision 2, clauses (a) and
56.3 (b), of a county maltreatment determination and a disqualification based on serious or
56.4 recurring maltreatment;

56.5 (6) the required presence of a caregiver in the adult foster care residence during normal
56.6 sleeping hours;

56.7 (7) variances to requirements relating to chemical use problems of a license holder or a
56.8 household member of a license holder; and

56.9 (8) variances to section 245A.53 for a time-limited period. If the commissioner grants
56.10 a variance under this clause, the license holder must provide notice of the variance to all
56.11 parents and guardians of the children in care.

56.12 Except as provided in section 245A.14, subdivision 4, paragraph (e), a county agency must
56.13 not grant a license holder a variance to exceed the maximum allowable family child care
56.14 license capacity of 14 children.

56.15 (b) A county agency that has been designated by the commissioner to issue family child
56.16 care variances must:

56.17 (1) publish the county agency's policies and criteria for issuing variances on the county's
56.18 public website and update the policies as necessary; and

56.19 (2) annually distribute the county agency's policies and criteria for issuing variances to
56.20 all family child care license holders in the county.

56.21 (c) Before the implementation of NETStudy 2.0, county agencies must report information
56.22 about disqualification reconsiderations under sections 245C.25 and 245C.27, subdivision
56.23 2, paragraphs (a) and (b), and variances granted under paragraph (a), clause (5), to the
56.24 commissioner at least monthly in a format prescribed by the commissioner.

56.25 (d) For family child care programs, the commissioner shall require a county agency to
56.26 conduct one unannounced licensing review at least annually.

56.27 (e) For family adult day services programs, the commissioner may authorize licensing
56.28 reviews every two years after a licensee has had at least one annual review.

56.29 (f) A license issued under this section may be issued for up to two years.

56.30 (g) During implementation of chapter 245D, the commissioner shall consider:

56.31 (1) the role of counties in quality assurance;

57.1 (2) the duties of county licensing staff; and

57.2 (3) the possible use of joint powers agreements, according to section 471.59, with counties
57.3 through which some licensing duties under chapter 245D may be delegated by the
57.4 commissioner to the counties.

57.5 Any consideration related to this paragraph must meet all of the requirements of the corrective
57.6 action plan ordered by the federal Centers for Medicare and Medicaid Services.

57.7 (h) Licensing authority specific to section 245D.06, subdivisions 5, 6, 7, and 8, or
57.8 successor provisions; and section 245D.061 or successor provisions, for family child foster
57.9 care programs providing out-of-home respite, as identified in section 245D.03, subdivision
57.10 1, paragraph (b), clause (1), is excluded from the delegation of authority to county and
57.11 private agencies.

57.12 (i) A county agency shall report to the commissioner, in a manner prescribed by the
57.13 commissioner, the following information for a licensed family child care program:

57.14 (1) the results of each licensing review completed, including the date of the review, and
57.15 any licensing correction order issued;

57.16 (2) any death, serious injury, or determination of substantiated maltreatment; and

57.17 (3) any fires that require the service of a fire department within 48 hours of the fire. The
57.18 information under this clause must also be reported to the state fire marshal within two
57.19 business days of receiving notice from a licensed family child care provider.

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

57.21 Sec. 17. Minnesota Statutes 2022, section 245D.03, subdivision 1, is amended to read:

57.22 Subdivision 1. **Applicability.** (a) The commissioner shall regulate the provision of home
57.23 and community-based services to persons with disabilities and persons age 65 and older
57.24 pursuant to this chapter. The licensing standards in this chapter govern the provision of
57.25 basic support services and intensive support services.

57.26 (b) Basic support services provide the level of assistance, supervision, and care that is
57.27 necessary to ensure the health and welfare of the person and do not include services that
57.28 are specifically directed toward the training, treatment, habilitation, or rehabilitation of the
57.29 person. Basic support services include:

57.30 (1) in-home and out-of-home respite care services as defined in section 245A.02,
57.31 subdivision 15, and under the brain injury, community alternative care, community access
57.32 for disability inclusion, developmental disabilities, and elderly waiver plans, excluding

58.1 out-of-home respite care provided to children in a family child foster care home licensed
58.2 under Minnesota Rules, parts 2960.3000 to 2960.3100, when the child foster care license
58.3 holder complies with the requirements under section 245D.06, subdivisions 5, 6, 7, and 8,
58.4 or successor provisions; and section 245D.061 or successor provisions, which must be
58.5 stipulated in the statement of intended use required under Minnesota Rules, part 2960.3000,
58.6 subpart 4;

58.7 (2) adult companion services as defined under the ~~brain injury, community access for~~
58.8 ~~disability inclusion, community alternative care, and elderly waiver plans~~ plan, excluding
58.9 adult companion services provided under the Corporation for National and Community
58.10 Services Senior Companion Program established under the Domestic Volunteer Service
58.11 Act of 1973, Public Law 98-288;

58.12 ~~(3) personal support as defined under the developmental disabilities waiver plan;~~

58.13 ~~(4)~~ (3) 24-hour emergency assistance, personal emergency response as defined under
58.14 the community access for disability inclusion and developmental disabilities waiver plans;

58.15 ~~(5)~~ (4) night supervision services as defined under the brain injury, community access
58.16 for disability inclusion, community alternative care, and developmental disabilities waiver
58.17 plans;

58.18 ~~(6)~~ (5) homemaker services as defined under the community access for disability
58.19 inclusion, brain injury, community alternative care, developmental disabilities, and elderly
58.20 waiver plans, excluding providers licensed by the Department of Health under chapter 144A
58.21 and those providers providing cleaning services only;

58.22 ~~(7)~~ (6) individual community living support under section 256S.13; and

58.23 ~~(8)~~ (7) individualized home supports without training services as defined under the brain
58.24 injury, community alternative care, and community access for disability inclusion, and
58.25 developmental disabilities waiver plans.

58.26 (c) Intensive support services provide assistance, supervision, and care that is necessary
58.27 to ensure the health and welfare of the person and services specifically directed toward the
58.28 training, habilitation, or rehabilitation of the person. Intensive support services include:

58.29 (1) intervention services, including:

58.30 (i) positive support services as defined under the brain injury and community access for
58.31 disability inclusion, community alternative care, and developmental disabilities waiver
58.32 plans;

59.1 (ii) in-home or out-of-home crisis respite services as defined under the brain injury,
 59.2 community access for disability inclusion, community alternative care, and developmental
 59.3 disabilities waiver plans; and

59.4 (iii) specialist services as defined under the current brain injury, community access for
 59.5 disability inclusion, community alternative care, and developmental disabilities waiver
 59.6 plans;

59.7 (2) in-home support services, including:

59.8 ~~(i) in-home family support and supported living services as defined under the~~
 59.9 ~~developmental disabilities waiver plan;~~

59.10 ~~(ii) independent living services training as defined under the brain injury and community~~
 59.11 ~~access for disability inclusion waiver plans;~~

59.12 ~~(iii)~~ (i) semi-independent living services;

59.13 ~~(iv)~~ (ii) individualized home support with training services as defined under the brain
 59.14 injury, community alternative care, community access for disability inclusion, and
 59.15 developmental disabilities waiver plans; and

59.16 ~~(v)~~ (iii) individualized home support with family training services as defined under the
 59.17 brain injury, community alternative care, community access for disability inclusion, and
 59.18 developmental disabilities waiver plans;

59.19 (3) residential supports and services, including:

59.20 ~~(i) supported living services as defined under the developmental disabilities waiver plan~~
 59.21 ~~provided in a family or corporate child foster care residence, a family adult foster care~~
 59.22 ~~residence, a community residential setting, or a supervised living facility;~~

59.23 ~~(ii) foster care services as defined in the brain injury, community alternative care, and~~
 59.24 ~~community access for disability inclusion waiver plans provided in a family or corporate~~
 59.25 ~~child foster care residence, a family adult foster care residence, or a community residential~~
 59.26 ~~setting;~~

59.27 ~~(iii)~~ (i) community residential services as defined under the brain injury, community
 59.28 alternative care, community access for disability inclusion, and developmental disabilities
 59.29 waiver plans provided in a corporate child foster care residence, a community residential
 59.30 setting, or a supervised living facility;

60.1 ~~(iv)~~ (ii) family residential services as defined in the brain injury, community alternative
 60.2 care, community access for disability inclusion, and developmental disabilities waiver plans
 60.3 provided in a family child foster care residence or a family adult foster care residence; and

60.4 ~~(v)~~ (iii) residential services provided to more than four persons with developmental
 60.5 disabilities in a supervised living facility, including ICFs/DD;

60.6 (4) day services, including:

60.7 ~~(i) structured day services as defined under the brain injury waiver plan;~~

60.8 ~~(ii)~~ (i) day services under sections 252.41 to 252.46, and as defined under the brain
 60.9 injury, community alternative care, community access for disability inclusion, and
 60.10 developmental disabilities waiver plans; and

60.11 ~~(iii) day training and habilitation services under sections 252.41 to 252.46, and as defined~~
 60.12 ~~under the developmental disabilities waiver plan; and~~

60.13 ~~(iv)~~ (ii) prevocational services as defined under the brain injury, community alternative
 60.14 care, community access for disability inclusion, and developmental disabilities waiver plans;
 60.15 and

60.16 (5) employment exploration services as defined under the brain injury, community
 60.17 alternative care, community access for disability inclusion, and developmental disabilities
 60.18 waiver plans;

60.19 (6) employment development services as defined under the brain injury, community
 60.20 alternative care, community access for disability inclusion, and developmental disabilities
 60.21 waiver plans;

60.22 (7) employment support services as defined under the brain injury, community alternative
 60.23 care, community access for disability inclusion, and developmental disabilities waiver plans;
 60.24 and

60.25 (8) integrated community support as defined under the brain injury and community
 60.26 access for disability inclusion waiver plans beginning January 1, 2021, and community
 60.27 alternative care and developmental disabilities waiver plans beginning January 1, 2023.

60.28 Sec. 18. Minnesota Statutes 2022, section 246.0135, is amended to read:

60.29 **246.0135 OPERATION OF REGIONAL TREATMENT CENTERS.**

60.30 (a) The commissioner of human services is prohibited from closing any regional treatment
 60.31 center or state-operated nursing home or any program at any of the regional treatment centers

61.1 or state-operated nursing homes, without specific legislative authorization. ~~For persons with~~
61.2 ~~developmental disabilities who move from one regional treatment center to another regional~~
61.3 ~~treatment center, the provisions of section 256B.092, subdivision 10, must be followed for~~
61.4 ~~both the discharge from one regional treatment center and admission to another regional~~
61.5 ~~treatment center, except that the move is not subject to the consensus requirement of section~~
61.6 ~~256B.092, subdivision 10, paragraph (b).~~

61.7 (b) Prior to closing or downsizing a regional treatment center, the commissioner of
61.8 human services shall be responsible for assuring that community-based alternatives developed
61.9 in response are adequate to meet the program needs identified by each county within the
61.10 catchment area and do not require additional local county property tax expenditures.

61.11 (c) The nonfederal share of the cost of alternative treatment or care developed as the
61.12 result of the closure of a regional treatment center, including costs associated with fulfillment
61.13 of responsibilities under chapter 253B shall be paid from state funds appropriated for
61.14 purposes specified in section 246.013.

61.15 (d) The commissioner may not divert state funds used for providing for care or treatment
61.16 of persons residing in a regional treatment center for purposes unrelated to the care and
61.17 treatment of such persons.

61.18 Sec. 19. Minnesota Statutes 2022, section 254A.035, subdivision 2, is amended to read:

61.19 Subd. 2. **Membership terms, compensation, removal and expiration.** The membership
61.20 of this council shall be composed of 17 persons who are American Indians and who are
61.21 appointed by the commissioner. The commissioner shall appoint one representative from
61.22 each of the following groups: Red Lake Band of Chippewa Indians; Fond du Lac Band,
61.23 Minnesota Chippewa Tribe; Grand Portage Band, Minnesota Chippewa Tribe; Leech Lake
61.24 Band, Minnesota Chippewa Tribe; Mille Lacs Band, Minnesota Chippewa Tribe; Bois Forte
61.25 Band, Minnesota Chippewa Tribe; White Earth Band, Minnesota Chippewa Tribe; Lower
61.26 Sioux Indian Reservation; Prairie Island Sioux Indian Reservation; Shakopee Mdewakanton
61.27 Sioux Indian Reservation; Upper Sioux Indian Reservation; International Falls Northern
61.28 Range; Duluth Urban Indian Community; and two representatives from the Minneapolis
61.29 Urban Indian Community and two from the St. Paul Urban Indian Community. The terms,
61.30 compensation, and removal of American Indian Advisory Council members shall be as
61.31 provided in section 15.059. ~~The council expires June 30, 2023.~~

- 62.1 Sec. 20. Minnesota Statutes 2022, section 254B.05, subdivision 1a, is amended to read:
- 62.2 Subd. 1a. **Room and board provider requirements.** (a) Effective January 1, 2000,
- 62.3 vendors of room and board are eligible for behavioral health fund payment if the vendor:
- 62.4 (1) has rules prohibiting residents bringing chemicals into the facility or using chemicals
- 62.5 while residing in the facility and provide consequences for infractions of those rules;
- 62.6 (2) is determined to meet applicable health and safety requirements;
- 62.7 (3) is not a jail or prison;
- 62.8 (4) is not concurrently receiving funds under chapter 256I for the recipient;
- 62.9 (5) admits individuals who are 18 years of age or older;
- 62.10 (6) is registered as a board and lodging or lodging establishment according to section
- 62.11 157.17;
- 62.12 (7) has awake staff on site ~~24 hours per day~~ whenever a client is present;
- 62.13 (8) has staff who are at least 18 years of age and meet the requirements of section
- 62.14 245G.11, subdivision 1, paragraph (b);
- 62.15 (9) has emergency behavioral procedures that meet the requirements of section 245G.16;
- 62.16 (10) meets the requirements of section 245G.08, subdivision 5, if administering
- 62.17 medications to clients;
- 62.18 (11) meets the abuse prevention requirements of section 245A.65, including a policy on
- 62.19 fraternization and the mandatory reporting requirements of section 626.557;
- 62.20 (12) documents coordination with the treatment provider to ensure compliance with
- 62.21 section 254B.03, subdivision 2;
- 62.22 (13) protects client funds and ensures freedom from exploitation by meeting the
- 62.23 provisions of section 245A.04, subdivision 13;
- 62.24 (14) has a grievance procedure that meets the requirements of section 245G.15,
- 62.25 subdivision 2; and
- 62.26 (15) has sleeping and bathroom facilities for men and women separated by a door that
- 62.27 is locked, has an alarm, or is supervised by awake staff.
- 62.28 (b) Programs licensed according to Minnesota Rules, chapter 2960, are exempt from
- 62.29 paragraph (a), clauses (5) to (15).

63.1 (c) Programs providing children's mental health crisis admissions and stabilization under
63.2 section 245.4882, subdivision 6, are eligible vendors of room and board.

63.3 (d) Licensed programs providing intensive residential treatment services or residential
63.4 crisis stabilization services pursuant to section 256B.0622 or 256B.0624 are eligible vendors
63.5 of room and board and are exempt from paragraph (a), clauses (6) to (15).

63.6 (e) A vendor that is not licensed as a residential treatment program must have a policy
63.7 to address staffing coverage when a client may unexpectedly need to be present at the room
63.8 and board site.

63.9 Sec. 21. Minnesota Statutes 2022, section 254B.05, subdivision 5, is amended to read:

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

63.12 (b) Eligible substance use disorder treatment services include:

63.13 (1) outpatient treatment services that are licensed according to sections 245G.01 to
63.14 245G.17, or applicable tribal license;

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

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

63.19 (4) peer recovery support services provided according to section 245G.07, subdivision
63.20 2, clause (8);

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

63.23 (6) substance use disorder treatment services with medications for opioid use disorder
63.24 that are licensed according to sections 245G.01 to 245G.17 and 245G.22, or applicable
63.25 tribal license;

63.26 (7) substance use disorder treatment with medications for opioid use disorder plus
63.27 enhanced treatment services that meet the requirements of clause (6) and provide nine hours
63.28 of clinical services each week;

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

64.1 (9) hospital-based treatment services that are licensed according to sections 245G.01 to
64.2 245G.17 or applicable tribal license and licensed as a hospital under sections 144.50 to
64.3 144.56;

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

64.8 (11) high-intensity residential treatment services that are licensed according to sections
64.9 245G.01 to 245G.17 and 245G.21 or applicable tribal license, which provide 30 hours of
64.10 clinical services each week provided by a state-operated vendor or to clients who have been
64.11 civilly committed to the commissioner, present the most complex and difficult care needs,
64.12 and are a potential threat to the community; and

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

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

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

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

64.18 (A) is licensed under chapter 245A as a child care center under Minnesota Rules, chapter
64.19 9503; or

64.20 (B) ~~meets the licensure exclusion criteria of section 245A.03, subdivision 2, paragraph~~
64.21 ~~(a), clause (6), and meets the requirements~~ is licensed under section chapter 245A and
64.22 sections 245G.01 to 245G.19, subdivision 4; or

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

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

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

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

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

64.30 (4) programs that offer medical services delivered by appropriately credentialed health
64.31 care staff in an amount equal to two hours per client per week if the medical needs of the

65.1 client and the nature and provision of any medical services provided are documented in the
65.2 client file; or

65.3 (5) programs that offer services to individuals with co-occurring mental health and
65.4 substance use disorder problems if:

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

65.6 (ii) 25 percent of the counseling staff are licensed mental health professionals under
65.7 section 245I.04, subdivision 2, or are students or licensing candidates under the supervision
65.8 of a licensed alcohol and drug counselor supervisor and mental health professional under
65.9 section 245I.04, subdivision 2, except that no more than 50 percent of the mental health
65.10 staff may be students or licensing candidates with time documented to be directly related
65.11 to provisions of co-occurring services;

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

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

65.17 (v) family education is offered that addresses mental health and substance use disorder
65.18 and the interaction between the two; and

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

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

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

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

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

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

66.10 Sec. 22. Minnesota Statutes 2022, section 256.01, is amended by adding a subdivision to
66.11 read:

66.12 Subd. 12b. Department of Human Services systemic critical incident review team. (a)
66.13 The commissioner may establish a Department of Human Services systemic critical incident
66.14 review team to review critical incidents reported as required under section 626.557 for
66.15 which the Department of Human Services is responsible under section 626.5572, subdivision
66.16 13; chapter 245D; or Minnesota Rules, chapter 9544. When reviewing a critical incident,
66.17 the systemic critical incident review team shall identify systemic influences to the incident
66.18 rather than determine the culpability of any actors involved in the incident. The systemic
66.19 critical incident review may assess the entire critical incident process from the point of an
66.20 entity reporting the critical incident through the ongoing case management process.
66.21 Department staff shall lead and conduct the reviews and may utilize county staff as reviewers.
66.22 The systemic critical incident review process may include but is not limited to:

66.23 (1) data collection about the incident and actors involved. Data may include the relevant
66.24 critical services; the service provider's policies and procedures applicable to the incident;
66.25 the community support plan as defined in section 245D.02, subdivision 4b, for the person
66.26 receiving services; or an interview of an actor involved in the critical incident or the review
66.27 of the critical incident. Actors may include:

66.28 (i) staff of the provider agency;

66.29 (ii) lead agency staff administering home and community-based services delivered by
66.30 the provider;

66.31 (iii) Department of Human Services staff with oversight of home and community-based
66.32 services;

66.33 (iv) Department of Health staff with oversight of home and community-based services;

67.1 (v) members of the community including advocates, legal representatives, health care
67.2 providers, pharmacy staff, or others with knowledge of the incident or the actors in the
67.3 incident; and

67.4 (vi) staff from the Office of the Ombudsman for Mental Health and Developmental
67.5 Disabilities and the Office of the Ombudsman for Long-Term Care;

67.6 (2) systemic mapping of the critical incident. The team conducting the systemic mapping
67.7 of the incident may include any actors identified in clause (1), designated representatives
67.8 of other provider agencies, regional teams, and representatives of the local regional quality
67.9 council identified in section 256B.097; and

67.10 (3) analysis of the case for systemic influences.

67.11 Data collected by the critical incident review team shall be aggregated and provided to
67.12 regional teams, participating regional quality councils, and the commissioner. The regional
67.13 teams and quality councils shall analyze the data and make recommendations to the
67.14 commissioner regarding systemic changes that would decrease the number and severity of
67.15 critical incidents in the future or improve the quality of the home and community-based
67.16 service system.

67.17 (b) Cases selected for the systemic critical incident review process shall be selected by
67.18 a selection committee among the following critical incident categories:

67.19 (1) cases of caregiver neglect identified in section 626.5572, subdivision 17;

67.20 (2) cases involving financial exploitation identified in section 626.5572, subdivision 9;

67.21 (3) incidents identified in section 245D.02, subdivision 11;

67.22 (4) behavior interventions identified in Minnesota Rules, part 9544.0110; and

67.23 (5) service terminations reported to the department in accordance with section 245D.10,
67.24 subdivision 3a.

67.25 (c) The systemic critical incident review under this section shall not replace the process
67.26 for screening or investigating cases of alleged maltreatment of an adult under section 626.557.
67.27 The department may select cases for systemic critical incident review, under the jurisdiction
67.28 of the commissioner, reported for suspected maltreatment and closed following initial or
67.29 final disposition.

67.30 (d) The proceedings and records of the review team are confidential data on individuals
67.31 or protected nonpublic data as defined in section 13.02, subdivisions 3 and 13. Data that
67.32 document a person's opinions formed as a result of the review are not subject to discovery

68.1 or introduction into evidence in a civil or criminal action against a professional, the state,
68.2 or a county agency arising out of the matters that the team is reviewing. Information,
68.3 documents, and records otherwise available from other sources are not immune from
68.4 discovery or use in a civil or criminal action solely because the information, documents,
68.5 and records were assessed or presented during proceedings of the review team. A person
68.6 who presented information before the systemic critical incident review team or who is a
68.7 member of the team shall not be prevented from testifying about matters within the person's
68.8 knowledge. In a civil or criminal proceeding, a person shall not be questioned about opinions
68.9 formed by the person as a result of the review.

68.10 (e) By October 1 of each year, the commissioner shall prepare an annual public report
68.11 containing the following information:

68.12 (1) the number of cases reviewed under each critical incident category identified in
68.13 paragraph (b) and a geographical description of where cases under each category originated;

68.14 (2) an aggregate summary of the systemic themes from the critical incidents examined
68.15 by the critical incident review team during the previous year;

68.16 (3) a synopsis of the conclusions, incident analyses, or exploratory activities taken in
68.17 regard to the critical incidents examined by the critical incident review team; and

68.18 (4) recommendations made to the commissioner regarding systemic changes that could
68.19 decrease the number and severity of critical incidents in the future or improve the quality
68.20 of the home and community-based service system.

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

68.22 Sec. 23. Minnesota Statutes 2022, section 256B.0659, is amended by adding a subdivision
68.23 to read:

68.24 **Subd. 14a. Qualified professional; remote supervision.** (a) For recipients with chronic
68.25 health conditions or severely compromised immune systems, a qualified professional may
68.26 conduct the supervision required under subdivision 14 via two-way interactive audio and
68.27 visual telecommunications if, at the recipient's request, the recipient's primary health care
68.28 provider:

68.29 (1) determines that remote supervision is appropriate; and

68.30 (2) documents the determination under clause (1) in a statement of need or other document
68.31 that is subsequently included in the recipient's personal care assistance care plan.

69.1 (b) Notwithstanding any other provision of law, a care plan developed or amended via
69.2 remote supervision may be executed by electronic signature.

69.3 (c) A personal care assistance provider agency must not conduct its first supervisory
69.4 visit for a recipient and complete its initial personal care assistance care plan via a remote
69.5 visit.

69.6 (d) A recipient may request to return to in-person supervisory visits at any time.

69.7 **EFFECTIVE DATE.** This section is effective July 1, 2023, or upon federal approval,
69.8 whichever is later. The commissioner of human services shall notify the revisor of statutes
69.9 when federal approval is obtained.

69.10 Sec. 24. Minnesota Statutes 2022, section 256B.0911, subdivision 23, is amended to read:

69.11 Subd. 23. **MnCHOICES reassessments; option for alternative and self-directed**
69.12 **waiver services.** (a) At the time of reassessment, the certified assessor shall assess a person
69.13 receiving waiver residential supports and services and currently residing in a setting listed
69.14 in clauses (1) to (5) to determine if the person would prefer to be served in a
69.15 community-living setting as defined in section ~~256B.49, subdivision 23~~ 256B.492,
69.16 subdivision 1, paragraph (b), or in a setting not controlled by a provider, or to receive
69.17 integrated community supports as described in section 245D.03, subdivision 1, paragraph
69.18 (c), clause (8). The certified assessor shall offer the person through a person-centered
69.19 planning process the option to receive alternative housing and service options. This paragraph
69.20 applies to those currently residing in a:

69.21 (1) community residential setting;

69.22 (2) licensed adult foster care home that is either not the primary residence of the license
69.23 holder or in which the license holder is not the primary caregiver;

69.24 (3) family adult foster care residence;

69.25 (4) customized living setting; or

69.26 (5) supervised living facility.

69.27 (b) At the time of reassessment, the certified assessor shall assess each person receiving
69.28 waiver day services to determine if that person would prefer to receive employment services
69.29 as described in section 245D.03, subdivision 1, paragraph (c), clauses (5) to (7). The certified
69.30 assessor shall describe to the person through a person-centered planning process the option
69.31 to receive employment services.

70.1 (c) At the time of reassessment, the certified assessor shall assess each person receiving
70.2 non-self-directed waiver services to determine if that person would prefer an available
70.3 service and setting option that would permit self-directed services and supports. The certified
70.4 assessor shall describe to the person through a person-centered planning process the option
70.5 to receive self-directed services and supports.

70.6 EFFECTIVE DATE. This section is effective upon federal approval. The commissioner
70.7 of human services shall notify the revisor of statutes when federal approval is obtained.

70.8 Sec. 25. Minnesota Statutes 2022, section 256B.092, subdivision 10, is amended to read:

70.9 Subd. 10. **Admission of persons to and discharge of persons from regional treatment**
70.10 **centers.** (a) Prior to the admission of a person to a regional treatment center program for
70.11 persons with developmental disabilities, the case manager shall make efforts to secure
70.12 community-based alternatives. If these alternatives are rejected by the person, the person's
70.13 legal guardian or conservator, or the county agency in favor of a regional treatment center
70.14 placement, the case manager shall document the reasons why the alternatives were rejected.

70.15 ~~(b) When discharge of a person from a regional treatment center to a community-based~~
70.16 ~~service is proposed, the case manager shall convene the screening team and in addition to~~
70.17 ~~members of the team identified in subdivision 7, the case manager shall invite to the meeting~~
70.18 ~~the person's parents and near relatives, and the ombudsman established under section 245.92~~
70.19 ~~if the person is under public guardianship. The meeting shall be convened at a time and~~
70.20 ~~place that allows for participation of all team members and invited individuals who choose~~
70.21 ~~to attend. The notice of the meeting shall inform the person's parents and near relatives~~
70.22 ~~about the screening team process, and their right to request a review if they object to the~~
70.23 ~~discharge, and shall provide the names and functions of advocacy organizations, and~~
70.24 ~~information relating to assistance available to individuals interested in establishing private~~
70.25 ~~guardianships under the provisions of section 252A.03. The screening team meeting shall~~
70.26 ~~be conducted according to subdivisions 7 and 8. Discharge of the person shall not go forward~~
70.27 ~~without consensus of the screening team.~~

70.28 ~~(c) The results of the screening team meeting and individual service plan developed~~
70.29 ~~according to subdivision 1b shall be used by the interdisciplinary team assembled in~~
70.30 ~~accordance with Code of Federal Regulations, title 42, section 483.440, to evaluate and~~
70.31 ~~make recommended modifications to the individual service plan as proposed. The individual~~
70.32 ~~service plan shall specify postplacement monitoring to be done by the case manager according~~
70.33 ~~to section 253B.15, subdivision 1a.~~

71.1 ~~(d) Notice of the meeting of the interdisciplinary team assembled in accordance with~~
71.2 ~~Code of Federal Regulations, title 42, section 483.440, shall be sent to all team members~~
71.3 ~~15 days prior to the meeting, along with a copy of the proposed individual service plan. The~~
71.4 ~~case manager shall request that proposed providers visit the person and observe the person's~~
71.5 ~~program at the regional treatment center prior to the discharge. Whenever possible,~~
71.6 ~~preplacement visits by the person to proposed service sites should also be scheduled in~~
71.7 ~~advance of the meeting. Members of the interdisciplinary team assembled for the purpose~~
71.8 ~~of discharge planning shall include but not be limited to the case manager, the person, the~~
71.9 ~~person's legal guardian or conservator, parents and near relatives, the person's advocate,~~
71.10 ~~representatives of proposed community service providers, representatives of the regional~~
71.11 ~~treatment center residential and training and habilitation services, a registered nurse if the~~
71.12 ~~person has overriding medical needs that impact the delivery of services, and a qualified~~
71.13 ~~developmental disability professional specializing in behavior management if the person~~
71.14 ~~to be discharged has behaviors that may result in injury to self or others. The case manager~~
71.15 ~~may also invite other service providers who have expertise in an area related to specific~~
71.16 ~~service needs of the person to be discharged.~~

71.17 ~~(e) The interdisciplinary team shall review the proposed plan to assure that it identifies~~
71.18 ~~service needs, availability of services, including support services, and the proposed providers'~~
71.19 ~~abilities to meet the service needs identified in the person's individual service plan. The~~
71.20 ~~interdisciplinary team shall review the most recent licensing reports of the proposed providers~~
71.21 ~~and corrective action taken by the proposed provider, if required. The interdisciplinary team~~
71.22 ~~shall review the current individual program plans for the person and agree to an interim~~
71.23 ~~individual program plan to be followed for the first 30 days in the person's new living~~
71.24 ~~arrangement. The interdisciplinary team may suggest revisions to the service plan, and all~~
71.25 ~~team suggestions shall be documented. If the person is to be discharged to a community~~
71.26 ~~intermediate care facility for persons with developmental disabilities, the team shall give~~
71.27 ~~preference to facilities with a licensed capacity of 15 or fewer beds. Thirty days prior to the~~
71.28 ~~date of discharge, the case manager shall send a final copy of the service plan to all invited~~
71.29 ~~members of the team, the ombudsman, if the person is under public guardianship, and the~~
71.30 ~~advocacy system established under United States Code, title 42, section 6042.~~

71.31 ~~(b) Assessment and support planning must be completed in accordance with requirements~~
71.32 ~~identified in section 256B.0911.~~

71.33 ~~(f) (c) No discharge shall take place until disputes are resolved under section 256.045,~~
71.34 ~~subdivision 4a, or until a review by the commissioner is completed upon request of the chief~~
71.35 ~~executive officer or program director of the regional treatment center, or the county agency.~~

72.1 For persons under public guardianship, the ombudsman may request a review or hearing
 72.2 under section 256.045. ~~Notification schedules required under this subdivision may be waived~~
 72.3 ~~by members of the team when judged urgent and with agreement of the parents or near~~
 72.4 ~~relatives participating as members of the interdisciplinary team.~~

72.5 Sec. 26. Minnesota Statutes 2022, section 256B.093, subdivision 1, is amended to read:

72.6 Subdivision 1. **State traumatic brain injury program.** (a) The commissioner of human
 72.7 services shall:

72.8 (1) maintain a statewide traumatic brain injury program;

72.9 (2) supervise and coordinate services and policies for persons with traumatic brain
 72.10 injuries;

72.11 (3) contract with qualified agencies or employ staff to provide statewide administrative
 72.12 case management and consultation;

72.13 (4) maintain an advisory committee to provide recommendations in reports to the
 72.14 commissioner regarding program and service needs of persons with brain injuries;

72.15 (5) investigate the need for the development of rules or statutes for the brain injury home
 72.16 and community-based services waiver; and

72.17 (6) investigate present and potential models of service coordination which can be
 72.18 delivered at the local level.

72.19 (b) The advisory committee required by paragraph (a), clause (4), must consist of no
 72.20 fewer than ten members and no more than 30 members. The commissioner shall appoint
 72.21 all advisory committee members to one- or two-year terms and appoint one member as
 72.22 chair. ~~The advisory committee expires on June 30, 2023.~~

72.23 Sec. 27. Minnesota Statutes 2022, section 256B.439, is amended by adding a subdivision
 72.24 to read:

72.25 Subd. 2b. **Demographic information for home and community-based services quality**
 72.26 **profiles.** For purposes of including in the home and community-based services quality
 72.27 profiles relevant information for consumers on the populations served by providers and for
 72.28 other data analysis, the commissioner may request from providers the following summary
 72.29 data about clients served by the provider: (1) age; (2) race; (3) ethnicity; and (4) gender
 72.30 identity. For the purposes of this subdivision, summary data has the meaning give in section
 72.31 13.02, subdivision 19. Providers must furnish the summary data only if the data on individuals

73.1 is available to the provider. A provider is not required to collect any demographic data from
73.2 clients for the sole purpose of providing the information requested by the commissioner
73.3 under this subdivision. If a provider furnishes the requested summary data to the
73.4 commissioner, the provider must provide notice to clients and associated key representatives
73.5 that the client's demographic information was included in the summary data provided to the
73.6 commissioner.

73.7 Sec. 28. Minnesota Statutes 2022, section 256B.439, subdivision 3d, is amended to read:

73.8 Subd. 3d. **Resident experience survey and family survey for assisted living**
73.9 **facilities.** The commissioner shall develop and administer a resident experience survey for
73.10 assisted living facility residents and a family survey for families of assisted living facility
73.11 residents. Money appropriated to the commissioner to administer the resident experience
73.12 survey and family survey is available in either fiscal year of the biennium in which it is
73.13 appropriated. Assisted living facilities licensed under chapter 144G must participate in the
73.14 surveys when the commissioner requests their participation.

73.15 Sec. 29. Minnesota Statutes 2022, section 256B.492, is amended to read:

73.16 **256B.492 HOME AND COMMUNITY-BASED SETTINGS FOR PEOPLE WITH**
73.17 **DISABILITIES.**

73.18 Subdivision 1. **Definitions.** (a) For the purposes of this section the following terms have
73.19 the meanings given.

73.20 (b) "Community-living setting" means a single-family home or multifamily dwelling
73.21 unit where a service recipient or a service recipient's family owns or rents and maintains
73.22 control over the individual unit as demonstrated by a lease agreement. Community-living
73.23 setting does not include a home or dwelling unit that the service provider owns, operates,
73.24 or leases or in which the service provider has a direct or indirect financial interest.

73.25 (c) "Controlling individual" has the meaning given in section 245A.02, subdivision 5a.

73.26 (d) "License holder" has the meaning given in section 245A.02, subdivision 9.

73.27 Subd. 2. **Home and community-based waiver settings.** (a) Individuals receiving services
73.28 under a home and community-based waiver under section 256B.092 or 256B.49 may receive
73.29 services in the following settings:

73.30 (1) home and community-based settings that comply with all requirements identified by
73.31 the federal Centers for Medicare and Medicaid Services in the Code of Federal Regulations,

74.1 title 42, section 441.301(c), and with the requirements of the federally approved transition
74.2 plan and waiver plans for each home and community-based services waiver; and

74.3 (2) settings required by the Housing Opportunities for Persons with AIDS Program.

74.4 (b) The settings in paragraph (a) must not have the qualities of an institution which
74.5 include, but are not limited to: regimented meal and sleep times, limitations on visitors, and
74.6 lack of privacy. Restrictions agreed to and documented in the person's individual service
74.7 plan shall not result in a residence having the qualities of an institution as long as the
74.8 restrictions for the person are not imposed upon others in the same residence and are the
74.9 least restrictive alternative, imposed for the shortest possible time to meet the person's needs.

74.10 Subd. 3. Community-living settings. (a) Individuals receiving services under a home
74.11 and community-based waiver under section 256B.092 or 256B.49 may receive services in
74.12 community-living settings. Community-living settings must meet the requirements of
74.13 subdivision 2, paragraph (a), clause (1).

74.14 (b) For the purposes of this section, direct financial interest exists if payment passes
74.15 between the license holder or any controlling individual of a licensed program and the
74.16 service recipient or an entity acting on the service recipient's behalf for the purpose of
74.17 obtaining or maintaining a dwelling. For the purposes of this section, indirect financial
74.18 interest exists if the license holder or any controlling individual of a licensed program has
74.19 an ownership or investment interest in the entity that owns, operates, leases, or otherwise
74.20 receives payment from the service recipient or an entity acting on the service recipient's
74.21 behalf for the purpose of obtaining or maintaining a dwelling.

74.22 (c) To ensure a service recipient or the service recipient's family maintains control over
74.23 the home or dwelling unit, community-living settings are subject to the following
74.24 requirements:

74.25 (1) service recipients must not be required to receive services or share services;

74.26 (2) service recipients must not be required to have a disability or specific diagnosis to
74.27 live in the community-living setting;

74.28 (3) service recipients may hire service providers of their choice;

74.29 (4) service recipients may choose whether to share their household and with whom;

74.30 (5) the home or multifamily dwelling unit must include living, sleeping, bathing, and
74.31 cooking areas;

74.32 (6) service recipients must have lockable access and egress;

75.1 (7) service recipients must be free to receive visitors and leave the settings at times and
75.2 for durations of their own choosing;

75.3 (8) leases must comply with chapter 504B;

75.4 (9) landlords must not charge different rents to tenants who are receiving home and
75.5 community-based services; and

75.6 (10) access to the greater community must be easily facilitated based on the service
75.7 recipient's needs and preferences.

75.8 (d) Nothing in this section prohibits a service recipient from having another person or
75.9 entity not affiliated with the service provider cosign a lease. Nothing in this section prohibits
75.10 a service recipient, during any period in which a service provider has cosigned the service
75.11 recipient's lease, from modifying services with an existing cosigning service provider and,
75.12 subject to the approval of the landlord, maintaining a lease cosigned by the service provider.
75.13 Nothing in this section prohibits a service recipient, during any period in which a service
75.14 provider has cosigned the service recipient's lease, from terminating services with the
75.15 cosigning service provider, receiving services from a new service provider, or, subject to
75.16 the approval of the landlord, maintaining a lease cosigned by the new service provider.

75.17 (e) A lease cosigned by a service provider meets the requirements of paragraph (b) if
75.18 the service recipient and service provider develop and implement a transition plan which
75.19 must provide that, within two years of cosigning the initial lease, the service provider shall
75.20 transfer the lease to the service recipient and other cosigners, if any.

75.21 (f) In the event the landlord has not approved the transfer of the lease within two years
75.22 of the service provider cosigning the initial lease, the service provider must submit a
75.23 time-limited extension request to the commissioner of human services to continue the
75.24 cosigned lease arrangement. The extension request must include:

75.25 (1) the reason the landlord denied the transfer;

75.26 (2) the plan to overcome the denial to transfer the lease;

75.27 (3) the length of time needed to successfully transfer the lease, not to exceed an additional
75.28 two years;

75.29 (4) a description of how the transition plan was followed, what occurred that led to the
75.30 landlord denying the transfer, and what changes in circumstances or condition, if any, the
75.31 service recipient experienced; and

76.1 (5) a revised transition plan to transfer the cosigned lease between the service provider
76.2 and the service recipient to the service recipient.

76.3 (g) The commissioner must approve an extension under paragraph (f) within sufficient
76.4 time to ensure the continued occupancy by the service recipient.

76.5 **EFFECTIVE DATE.** This section is effective upon federal approval. The commissioner
76.6 of human services shall notify the revisor of statutes when federal approval is obtained.

76.7 Sec. 30. Minnesota Statutes 2022, section 256B.493, subdivision 2a, is amended to read:

76.8 Subd. 2a. **Closure process.** (a) The commissioner shall work with stakeholders to
76.9 establish a process for the application, review, approval, and implementation of setting
76.10 closures. Voluntary proposals from license holders for consolidation and closure of adult
76.11 foster care or community residential settings are encouraged. Whether voluntary or
76.12 involuntary, all closure plans must include:

76.13 (1) a description of the proposed closure plan, identifying the home or homes and
76.14 occupied beds;

76.15 (2) the proposed timetable for the proposed closure, including the proposed dates for
76.16 notification to people living there and the affected lead agencies, commencement of closure,
76.17 and completion of closure;

76.18 (3) the proposed relocation plan jointly developed by the counties of financial
76.19 responsibility, the people living there and their legal representatives, if any, who wish to
76.20 continue to receive services from the provider, and the providers for current residents of
76.21 any adult foster care home designated for closure; and

76.22 (4) documentation from the provider in a format approved by the commissioner that all
76.23 the adult foster care homes or community residential settings receiving a planned closure
76.24 rate adjustment under the plan have accepted joint and severable for recovery of
76.25 overpayments under section 256B.0641, subdivision 2, for the facilities designated for
76.26 closure under this plan.

76.27 (b) The commissioner shall give first priority to closure plans which:

76.28 (1) target counties and geographic areas which have:

76.29 (i) need for other types of services;

76.30 (ii) need for specialized services;

77.1 (iii) higher than average per capita use of licensed corporate foster care or community
77.2 residential settings; or

77.3 (iv) residents not living in the geographic area of their choice;

77.4 (2) demonstrate savings of medical assistance expenditures; and

77.5 (3) demonstrate that alternative services are based on the recipient's choice of provider
77.6 and are consistent with federal law, state law, and federally approved waiver plans.

77.7 The commissioner shall also consider any information provided by people using services,
77.8 their legal representatives, family members, or the lead agency on the impact of the planned
77.9 closure on people and the services they need.

77.10 ~~(e) For each closure plan approved by the commissioner, a contract must be established~~
77.11 ~~between the commissioner, the counties of financial responsibility, and the participating~~
77.12 ~~license holder.~~

77.13 Sec. 31. Minnesota Statutes 2022, section 256B.493, subdivision 4, is amended to read:

77.14 Subd. 4. **Review and approval process.** (a) To be considered for approval, an application
77.15 must include:

77.16 (1) a description of the proposed closure plan, which must identify the home or homes
77.17 and occupied beds for which a planned closure rate adjustment is requested;

77.18 (2) the proposed timetable for any proposed closure, including the proposed dates for
77.19 notification to residents and the affected lead agencies, commencement of closure, and
77.20 completion of closure;

77.21 (3) the proposed relocation plan jointly developed by the counties of financial
77.22 responsibility, the residents and their legal representatives, if any, who wish to continue to
77.23 receive services from the provider, and the providers for current residents of any adult foster
77.24 care home designated for closure; and

77.25 (4) documentation in a format approved by the commissioner that all the adult foster
77.26 care homes receiving a planned closure rate adjustment under the plan have accepted joint
77.27 and several liability for recovery of overpayments under section 256B.0641, subdivision 2,
77.28 for the facilities designated for closure under this plan.

77.29 (b) In reviewing and approving closure proposals, the commissioner shall give first
77.30 priority to proposals that:

77.31 (1) target counties and geographic areas which have:

78.1 (i) need for other types of services;

78.2 (ii) need for specialized services;

78.3 (iii) higher than average per capita use of foster care settings where the license holder
78.4 does not reside; or

78.5 (iv) residents not living in the geographic area of their choice;

78.6 (2) demonstrate savings of medical assistance expenditures; and

78.7 (3) demonstrate that alternative services are based on the recipient's choice of provider
78.8 and are consistent with federal law, state law, and federally approved waiver plans.

78.9 The commissioner shall also consider any information provided by service recipients,
78.10 their legal representatives, family members, or the lead agency on the impact of the planned
78.11 closure on the recipients and the services they need.

78.12 (c) The commissioner shall select proposals that best meet the criteria established in this
78.13 subdivision for planned closure of adult foster care settings. The commissioner shall notify
78.14 license holders of the selections approved by the commissioner.

78.15 ~~(d) For each proposal approved by the commissioner, a contract must be established~~
78.16 ~~between the commissioner, the counties of financial responsibility, and the participating~~
78.17 ~~license holder.~~

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

78.19 Sec. 32. Minnesota Statutes 2022, section 256S.202, subdivision 1, is amended to read:

78.20 Subdivision 1. **Customized living monthly service rate limits.** (a) Except for a
78.21 participant assigned to case mix classification L, as described in section 256S.18, subdivision
78.22 1, paragraph (b), the customized living monthly service rate limit shall not exceed 50 percent
78.23 of the monthly case mix budget cap, ~~less the maintenance needs allowance~~, adjusted at least
78.24 annually in the manner described under section 256S.18, subdivisions 5 and 6.

78.25 (b) The customized living monthly service rate limit for participants assigned to case
78.26 mix classification L must be the monthly service rate limit for participants assigned to case
78.27 mix classification A, reduced by 25 percent.

79.1 Sec. 33. Minnesota Statutes 2022, section 524.5-104, is amended to read:

79.2 **524.5-104 FACILITY OF TRANSFER.**

79.3 (a) A person who may transfer money or personal property to a minor may do so, as to
79.4 an amount or value not exceeding the amount allowable as a tax exclusion gift under section
79.5 2503(b) of the Internal Revenue Code or a different amount that is approved by the court,
79.6 by transferring it to:

79.7 (1) a person who has the care and custody of the minor and with whom the minor resides;

79.8 (2) a guardian of the minor;

79.9 (3) a custodian under the Uniform Transfers To Minors Act or custodial trustee under
79.10 the Uniform Custodial Trust Act;

79.11 (4) a financial institution as a deposit in an interest-bearing account or certificate in the
79.12 sole name of the minor and giving notice of the deposit to the minor; or

79.13 (5) an ABLE account. A guardian only has the authority to establish an ABLE account.
79.14 The guardian may not administer the ABLE account in the guardian's capacity as guardian.
79.15 The guardian may appoint or name a person to exercise signature authority over an ABLE
79.16 account, including the individual selected by the eligible individual or the eligible individual's
79.17 agent under a power of attorney, conservator, spouse, parent, sibling, grandparent, or
79.18 representative payee, whether an individual or organization, appointed by the Social Security
79.19 Administration, in that order.

79.20 (b) This section does not apply if the person making payment or delivery knows that a
79.21 conservator has been appointed or that a proceeding for appointment of a conservator of
79.22 the minor is pending.

79.23 (c) A person who transfers money or property in compliance with this section is not
79.24 responsible for its proper application.

79.25 (d) A guardian or other person who receives money or property for a minor under
79.26 paragraph (a), clause (1) or (2), may only apply it to the support, care, education, health,
79.27 and welfare of the minor, and may not derive a personal financial benefit except for
79.28 reimbursement for necessary expenses. Any excess must be preserved for the future support,
79.29 care, education, health, and welfare of the minor and any balance must be transferred to the
79.30 minor upon emancipation or attaining majority.

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

80.1 Sec. 34. Minnesota Statutes 2022, section 524.5-313, is amended to read:

80.2 **524.5-313 POWERS AND DUTIES OF GUARDIAN.**

80.3 (a) A guardian shall be subject to the control and direction of the court at all times and
80.4 in all things.

80.5 (b) The court shall grant to a guardian only those powers necessary to provide for the
80.6 demonstrated needs of the person subject to guardianship.

80.7 (c) The court may appoint a guardian if it determines that all the powers and duties listed
80.8 in this section are needed to provide for the needs of the incapacitated person. The court
80.9 may also appoint a guardian if it determines that a guardian is needed to provide for the
80.10 needs of the incapacitated person through the exercise of some, but not all, of the powers
80.11 and duties listed in this section. The duties and powers of a guardian or those which the
80.12 court may grant to a guardian include, but are not limited to:

80.13 (1) the power to have custody of the person subject to guardianship and the power to
80.14 establish a place of abode within or outside the state, except as otherwise provided in this
80.15 clause. The person subject to guardianship or any interested person may petition the court
80.16 to prevent or to initiate a change in abode. A person subject to guardianship may not be
80.17 admitted to a regional treatment center by the guardian except:

80.18 (i) after a hearing under chapter 253B;

80.19 (ii) for outpatient services; or

80.20 (iii) for the purpose of receiving temporary care for a specific period of time not to
80.21 exceed 90 days in any calendar year;

80.22 (2) the duty to provide for the care, comfort, and maintenance needs of the person subject
80.23 to guardianship, including food, clothing, shelter, health care, social and recreational
80.24 requirements, and, whenever appropriate, training, education, and habilitation or
80.25 rehabilitation. The guardian has no duty to pay for these requirements out of personal funds.
80.26 Whenever possible and appropriate, the guardian should meet these requirements through
80.27 governmental benefits or services to which the person subject to guardianship is entitled,
80.28 rather than from the estate of the person subject to guardianship. Failure to satisfy the needs
80.29 and requirements of this clause shall be grounds for removal of a private guardian, but the
80.30 guardian shall have no personal or monetary liability;

80.31 (3) the duty to take reasonable care of the clothing, furniture, vehicles, and other personal
80.32 effects of the person subject to guardianship, and, if other property requires protection, the
80.33 power to seek appointment of a conservator of the estate. The guardian must give notice by

81.1 mail to interested persons prior to the disposition of the clothing, furniture, vehicles, or
81.2 other personal effects of the person subject to guardianship. The notice must inform the
81.3 person of the right to object to the disposition of the property within ten days of the date of
81.4 mailing and to petition the court for a review of the guardian's proposed actions. Notice of
81.5 the objection must be served by mail or personal service on the guardian and the person
81.6 subject to guardianship unless the person subject to guardianship is the objector. The guardian
81.7 served with notice of an objection to the disposition of the property may not dispose of the
81.8 property unless the court approves the disposition after a hearing;

81.9 (4)(i) the power to give any necessary consent to enable the person subject to guardianship
81.10 to receive necessary medical or other professional care, counsel, treatment, or service, except
81.11 that no guardian may give consent for psychosurgery, electroshock, sterilization, or
81.12 experimental treatment of any kind unless the procedure is first approved by order of the
81.13 court as provided in this clause. The guardian shall not consent to any medical care for the
81.14 person subject to guardianship which violates the known conscientious, religious, or moral
81.15 belief of the person subject to guardianship;

81.16 (ii) a guardian who believes a procedure described in item (i) requiring prior court
81.17 approval to be necessary for the proper care of the person subject to guardianship, shall
81.18 petition the court for an order and, in the case of a public guardianship under chapter 252A,
81.19 obtain the written recommendation of the commissioner of human services. The court shall
81.20 fix the time and place for the hearing and shall give notice to the person subject to
81.21 guardianship in such manner as specified in section 524.5-308 and to interested persons.
81.22 The court shall appoint an attorney to represent the person subject to guardianship who is
81.23 not represented by counsel, provided that such appointment shall expire upon the expiration
81.24 of the appeal time for the order issued by the court under this section or the order dismissing
81.25 a petition, or upon such other time or event as the court may direct. In every case the court
81.26 shall determine if the procedure is in the best interest of the person subject to guardianship.
81.27 In making its determination, the court shall consider a written medical report which
81.28 specifically considers the medical risks of the procedure, whether alternative, less restrictive
81.29 methods of treatment could be used to protect the best interest of the person subject to
81.30 guardianship, and any recommendation of the commissioner of human services for a public
81.31 person subject to guardianship. The standard of proof is that of clear and convincing evidence;

81.32 (iii) in the case of a petition for sterilization of a person with developmental disabilities
81.33 subject to guardianship, the court shall appoint a licensed physician, a psychologist who is
81.34 qualified in the diagnosis and treatment of developmental disability, and a social worker
81.35 who is familiar with the social history and adjustment of the person subject to guardianship

82.1 or the case manager for the person subject to guardianship to examine or evaluate the person
82.2 subject to guardianship and to provide written reports to the court. The reports shall indicate
82.3 why sterilization is being proposed, whether sterilization is necessary and is the least intrusive
82.4 method for alleviating the problem presented, and whether it is in the best interest of the
82.5 person subject to guardianship. The medical report shall specifically consider the medical
82.6 risks of sterilization, the consequences of not performing the sterilization, and whether
82.7 alternative methods of contraception could be used to protect the best interest of the person
82.8 subject to guardianship;

82.9 (iv) any person subject to guardianship whose right to consent to a sterilization has not
82.10 been restricted under this section or section 252A.101 may be sterilized only if the person
82.11 subject to guardianship consents in writing or there is a sworn acknowledgment by an
82.12 interested person of a nonwritten consent by the person subject to guardianship. The consent
82.13 must certify that the person subject to guardianship has received a full explanation from a
82.14 physician or registered nurse of the nature and irreversible consequences of the sterilization;

82.15 (v) a guardian or the public guardian's designee who acts within the scope of authority
82.16 conferred by letters of guardianship under section 252A.101, subdivision 7, and according
82.17 to the standards established in this chapter or in chapter 252A shall not be civilly or criminally
82.18 liable for the provision of any necessary medical care, including, but not limited to, the
82.19 administration of psychotropic medication or the implementation of aversive and deprivation
82.20 procedures to which the guardian or the public guardian's designee has consented;

82.21 (5) in the event there is no duly appointed conservator of the estate of the person subject
82.22 to guardianship, the guardian shall have the power to approve or withhold approval of any
82.23 contract, except for necessities, which the person subject to guardianship may make or wish
82.24 to make;

82.25 (6) the duty and power to exercise supervisory authority over the person subject to
82.26 guardianship in a manner which limits civil rights and restricts personal freedom only to
82.27 the extent necessary to provide needed care and services. A guardian may not restrict the
82.28 ability of the person subject to guardianship to communicate, visit, or interact with others,
82.29 including receiving visitors or making or receiving telephone calls, personal mail, or
82.30 electronic communications including through social media, or participating in social activities,
82.31 unless the guardian has good cause to believe restriction is necessary because interaction
82.32 with the person poses a risk of significant physical, psychological, or financial harm to the
82.33 person subject to guardianship, and there is no other means to avoid such significant harm.
82.34 In all cases, the guardian shall provide written notice of the restrictions imposed to the court,
82.35 to the person subject to guardianship, and to the person subject to restrictions. The person

83.1 subject to guardianship or the person subject to restrictions may petition the court to remove
83.2 or modify the restrictions;

83.3 (7) if there is no acting conservator of the estate for the person subject to guardianship,
83.4 the guardian has the power to apply on behalf of the person subject to guardianship for any
83.5 assistance, services, or benefits available to the person subject to guardianship through any
83.6 unit of government;

83.7 (8) unless otherwise ordered by the court, the person subject to guardianship retains the
83.8 right to vote;

83.9 (9) the power to establish an ABLE account for a person subject to guardianship or
83.10 conservatorship. By this provision a guardian only has the authority to establish an ABLE
83.11 account, but may not administer the ABLE account in the guardian's capacity as guardian.
83.12 The guardian may appoint or name a person to exercise signature authority over an ABLE
83.13 account, including the individual selected by the eligible individual or the eligible individual's
83.14 agent under a power of attorney; conservator; spouse; parent; sibling; grandparent; or
83.15 representative payee, whether an individual or organization, appointed by the SSA, in that
83.16 order; and

83.17 (10) if there is no conservator appointed for the person subject to guardianship, the
83.18 guardian has the duty and power to institute suit on behalf of the person subject to
83.19 guardianship and represent the person subject to guardianship in expungement proceedings,
83.20 harassment proceedings, and all civil court proceedings, including but not limited to
83.21 restraining orders, orders for protection, name changes, conciliation court, housing court,
83.22 family court, probate court, and juvenile court, provided that a guardian may not settle or
83.23 compromise any claim or debt owed to the estate without court approval.

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

83.25 Sec. 35. Laws 2021, First Special Session chapter 7, article 2, section 17, the effective
83.26 date, is amended to read:

83.27 **EFFECTIVE DATE.** This section is effective July 1, 2021, except ~~subdivision 6,~~
83.28 ~~paragraph (b), is effective upon federal approval and~~ subdivision 15 is effective the day
83.29 following final enactment. ~~The commissioner of human services shall notify the revisor of~~
83.30 ~~statutes when federal approval is obtained.~~

84.1 Sec. 36. Laws 2021, First Special Session chapter 7, article 6, section 12, the effective
84.2 date, is amended to read:

84.3 **EFFECTIVE DATE.** This section is effective July 1, 2021, ~~or upon federal approval,~~
84.4 ~~whichever is later. The commissioner of human services shall notify the revisor of statutes~~
84.5 ~~when federal approval is obtained.~~

84.6 Sec. 37. Laws 2021, First Special Session chapter 7, article 11, section 18, the effective
84.7 date, is amended to read:

84.8 **EFFECTIVE DATE.** This section is effective July 1, 2021, ~~or upon federal approval,~~
84.9 ~~whichever is later,~~ except paragraph (f) is effective the day following final enactment. The
84.10 ~~commissioner shall notify the revisor of statutes when federal approval is obtained.~~

84.11 Sec. 38. Laws 2021, First Special Session chapter 7, article 13, section 43, the effective
84.12 date, is amended to read:

84.13 **EFFECTIVE DATE.** This section is effective January 1, 2022, ~~or upon federal approval,~~
84.14 ~~whichever is later, except the fifth sentence in paragraph (d) is effective January 1, 2022.~~
84.15 ~~The commissioner of human services shall notify the revisor of statutes when federal approval~~
84.16 ~~is obtained.~~

84.17 Sec. 39. Laws 2022, chapter 98, article 4, section 37, the effective date, is amended to
84.18 read:

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

84.22 Sec. 40. **DIRECTION TO COMMISSIONER; BRAIN INJURY AND COMMUNITY**
84.23 **ACCESS FOR DISABILITY INCLUSION WAIVER CUSTOMIZED LIVING**
84.24 **SERVICES PROVIDERS LOCATED IN HENNEPIN AND ITASCA COUNTIES.**

84.25 The commissioner of human services shall determine the brain injury (BI) or community
84.26 access for disability inclusion (CADI) waiver customized living and 24-hour customized
84.27 living size limitation exception applies to:

84.28 (1) two United States Department of Housing and Urban Development-subsidized
84.29 housing settings created on September 29, 1980, that are located in the city of Minneapolis,
84.30 provide customized living and 24-hour customized living services for clients enrolled in

85.1 the BI and CADI waiver, and had a capacity to service six clients in the setting as of July
 85.2 1, 2022; and

85.3 (2) one United States Department of Housing and Urban Development-subsidized housing
 85.4 setting created on April 15, 1991, that is located in the city of Grand Rapids, provides
 85.5 customized living and 24-hour customized living services for clients enrolled in the BI and
 85.6 CADI waiver, and had a capacity to service eight clients in the setting as of July 1, 2022.

85.7 Sec. 41. **REPEALER.**

85.8 Minnesota Statutes 2022, sections 254B.13, subdivisions 1, 2, 2a, 4, 5, 6, 7, and 8;
 85.9 254B.16; 256.041, subdivision 10; 256B.49, subdivision 23; and 260.835, subdivision 2,
 85.10 are repealed.

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

85.12 **ARTICLE 4**

85.13 **MISCELLANEOUS**

85.14 Section 1. Minnesota Statutes 2022, section 245.50, subdivision 5, is amended to read:

85.15 Subd. 5. **Special contracts; bordering states.** (a) An individual who is detained,
 85.16 committed, or placed on an involuntary basis under chapter 253B may be confined or treated
 85.17 in a bordering state pursuant to a contract under this section. An individual who is detained,
 85.18 committed, or placed on an involuntary basis under the civil law of a bordering state may
 85.19 be confined or treated in Minnesota pursuant to a contract under this section. A peace or
 85.20 health officer who is acting under the authority of the sending state may transport an
 85.21 individual to a receiving agency that provides services pursuant to a contract under this
 85.22 section and may transport the individual back to the sending state under the laws of the
 85.23 sending state. Court orders valid under the law of the sending state are granted recognition
 85.24 and reciprocity in the receiving state for individuals covered by a contract under this section
 85.25 to the extent that the court orders relate to confinement for treatment or care of mental
 85.26 illness, chemical dependency, or detoxification. Such treatment or care may address other
 85.27 conditions that may be co-occurring with the mental illness or chemical dependency. These
 85.28 court orders are not subject to legal challenge in the courts of the receiving state. Individuals
 85.29 who are detained, committed, or placed under the law of a sending state and who are
 85.30 transferred to a receiving state under this section continue to be in the legal custody of the
 85.31 authority responsible for them under the law of the sending state. Except in emergencies,
 85.32 those individuals may not be transferred, removed, or furloughed from a receiving agency

86.1 without the specific approval of the authority responsible for them under the law of the
86.2 sending state.

86.3 (b) While in the receiving state pursuant to a contract under this section, an individual
86.4 shall be subject to the sending state's laws and rules relating to length of confinement,
86.5 reexaminations, and extensions of confinement. No individual may be sent to another state
86.6 pursuant to a contract under this section until the receiving state has enacted a law recognizing
86.7 the validity and applicability of this section.

86.8 (c) If an individual receiving services pursuant to a contract under this section leaves
86.9 the receiving agency without permission and the individual is subject to involuntary
86.10 confinement under the law of the sending state, the receiving agency shall use all reasonable
86.11 means to return the individual to the receiving agency. The receiving agency shall
86.12 immediately report the absence to the sending agency. The receiving state has the primary
86.13 responsibility for, and the authority to direct, the return of these individuals within its borders
86.14 and is liable for the cost of the action to the extent that it would be liable for costs of its
86.15 own resident.

86.16 (d) Responsibility for payment for the cost of care remains with the sending agency.

86.17 (e) This subdivision also applies to county contracts under subdivision 2 which include
86.18 emergency care and treatment provided to a county resident in a bordering state.

86.19 (f) If a Minnesota resident is admitted to a facility in a bordering state under this chapter,
86.20 ~~a physician, a licensed psychologist who has a doctoral degree in psychology, or an advanced~~
86.21 ~~practice registered nurse certified in mental health,~~ an individual who is licensed in the
86.22 bordering state, may act as a court examiner under sections 253B.07, 253B.08, 253B.092,
86.23 253B.12, and 253B.17 subject to the same requirements and limitations in section 253B.02,
86.24 subdivision 7 4d. An examiner under section 253B.02, subdivision 7, may initiate an
86.25 emergency hold under section 253B.051 on a Minnesota resident who is in a hospital that
86.26 is under contract with a Minnesota governmental entity under this section provided the
86.27 resident, in the opinion of the examiner, meets the criteria in section 253B.051.

86.28 (g) This section shall apply to detoxification services that are unrelated to treatment
86.29 whether the services are provided on a voluntary or involuntary basis.

86.30 Sec. 2. Minnesota Statutes 2022, section 245G.22, subdivision 15, is amended to read:

86.31 Subd. 15. **Nonmedication treatment services; documentation.** (a) The program must
86.32 offer at least 50 consecutive minutes of individual or group therapy treatment services as
86.33 defined in section 245G.07, subdivision 1, paragraph (a), clause (1), per week, for the first

87.1 ten weeks following the day of service initiation, and at least 50 consecutive minutes per
87.2 month thereafter. As clinically appropriate, the program may offer these services cumulatively
87.3 and not consecutively in increments of no less than 15 minutes over the required time period,
87.4 and for a total of 60 minutes of treatment services over the time period, and must document
87.5 the reason for providing services cumulatively in the client's record. The program may offer
87.6 additional levels of service when deemed clinically necessary.

87.7 (b) Notwithstanding the requirements of comprehensive assessments in section 245G.05,
87.8 the assessment must be completed within 21 days from the day of service initiation.

87.9 (c) Notwithstanding the requirements of individual treatment plans set forth in section
87.10 245G.06:

87.11 (1) treatment plan contents for a maintenance client are not required to include goals
87.12 the client must reach to complete treatment and have services terminated;

87.13 (2) treatment plans for a client in a taper or detox status must include goals the client
87.14 must reach to complete treatment and have services terminated; and

87.15 (3) for the ten weeks following the day of service initiation for all new admissions,
87.16 readmissions, and transfers, a weekly treatment plan review must be documented once the
87.17 treatment plan is completed. Subsequently, the counselor must document treatment plan
87.18 reviews in the six dimensions at least once ~~monthly~~ every three months or, when clinical
87.19 need warrants, more frequently.

87.20 Sec. 3. Minnesota Statutes 2022, section 245G.22, subdivision 17, is amended to read:

87.21 Subd. 17. **Policies and procedures.** (a) A license holder must develop and maintain the
87.22 policies and procedures required in this subdivision.

87.23 (b) For a program that is not open every day of the year, the license holder must maintain
87.24 a policy and procedure that covers requirements under section 245G.22, subdivisions 6 and
87.25 7. Unsupervised use of medication used for the treatment of opioid use disorder for days
87.26 that the program is closed for business, including but not limited to Sundays and state and
87.27 federal holidays, must meet the requirements under section 245G.22, subdivisions 6 and 7.

87.28 (c) The license holder must maintain a policy and procedure that includes specific
87.29 measures to reduce the possibility of diversion. The policy and procedure must:

87.30 (1) specifically identify and define the responsibilities of the medical and administrative
87.31 staff for performing diversion control measures; and

88.1 (2) include a process for contacting no less than five percent of clients who have
88.2 unsupervised use of medication, excluding clients approved solely under subdivision 6,
88.3 paragraph (a), to require clients to physically return to the program each month. The system
88.4 must require clients to return to the program within a stipulated time frame and turn in all
88.5 unused medication containers related to opioid use disorder treatment. The license holder
88.6 must document all related contacts on a central log and the outcome of the contact for each
88.7 client in the client's record. The medical director must be informed of each outcome that
88.8 results in a situation in which a possible diversion issue was identified.

88.9 (d) Medication used for the treatment of opioid use disorder must be ordered,
88.10 administered, and dispensed according to applicable state and federal regulations and the
88.11 standards set by applicable accreditation entities. If a medication order requires assessment
88.12 by the person administering or dispensing the medication to determine the amount to be
88.13 administered or dispensed, the assessment must be completed by an individual whose
88.14 professional scope of practice permits an assessment. For the purposes of enforcement of
88.15 this paragraph, the commissioner has the authority to monitor the person administering or
88.16 dispensing the medication for compliance with state and federal regulations and the relevant
88.17 standards of the license holder's accreditation agency and may issue licensing actions
88.18 according to sections 245A.05, 245A.06, and 245A.07, based on the commissioner's
88.19 determination of noncompliance.

88.20 (e) A counselor in an opioid treatment program must supervise clients at a level sufficient
88.21 to ensure that patients have reasonable and prompt access to the counselor and receive
88.22 counseling services at the required frequency and intensity but must not supervise more
88.23 than ~~50~~ 75 clients.

88.24 Sec. 4. Laws 2021, First Special Session chapter 7, article 17, section 20, is amended to
88.25 read:

88.26 Sec. 20. **HCBS WORKFORCE DEVELOPMENT GRANT.**

88.27 Subdivision 1. Appropriation. (a) This act includes \$0 in fiscal year 2022 and \$5,588,000
88.28 in fiscal year 2023 to address challenges related to attracting and maintaining direct care
88.29 workers who provide home and community-based services for people with disabilities and
88.30 older adults. The general fund base included in this act for this purpose is \$5,588,000 in
88.31 fiscal year 2024 and \$0 in fiscal year 2025.

89.1 (b) At least 90 percent of funding for this provision must be directed to workers who
89.2 earn ~~200~~ 300 percent or less of the most current federal poverty level issued by the United
89.3 States Department of Health and Human Services.

89.4 (c) The commissioner must consult with stakeholders to finalize a report detailing the
89.5 final plan for use of the funds. The commissioner must publish the report by March 1, 2022,
89.6 and notify the chairs and ranking minority members of the legislative committees with
89.7 jurisdiction over health and human services policy and finance.

89.8 Subd. 2. **Public assistance eligibility.** Notwithstanding any law to the contrary, workforce
89.9 development grant money received under this section is not income, assets, or personal
89.10 property for purposes of determining eligibility or recertifying eligibility for:

89.11 (1) child care assistance programs under Minnesota Statutes, chapter 119B;

89.12 (2) general assistance, Minnesota supplemental aid, and food support under Minnesota
89.13 Statutes, chapter 256D;

89.14 (3) housing support under Minnesota Statutes, chapter 256I;

89.15 (4) Minnesota family investment program and diversionary work program under
89.16 Minnesota Statutes, chapter 256J; and

89.17 (5) economic assistance programs under Minnesota Statutes, chapter 256P.

89.18 Subd. 3. **Medical assistance eligibility.** Notwithstanding any law to the contrary,
89.19 workforce development grant money received under this section is not income or assets for
89.20 the purposes of determining eligibility for medical assistance under Minnesota Statutes,
89.21 section 256B.056, subdivision 1a, paragraph (a); 3; or 3c; or 256B.057, subdivision 3, 3a,
89.22 or 3b."

89.23 Amend the title accordingly