

74.8

ARTICLE 2

74.9

AGING SERVICES

74.10 Section 1. [144A.141] VOLUNTARY RECEIVERSHIP.

74.11 A majority in interest of the controlling persons of a nursing home may at any time  
 74.12 request the commissioner of health to assume the operation of the nursing home through  
 74.13 appointment of a receiver. Upon receiving a request for a receiver, the commissioner of  
 74.14 health may, if the commissioner deems receivership desirable, enter into an agreement with  
 74.15 a majority in interest of the controlling persons, providing for the appointment of a receiver  
 74.16 to take charge of the facility under conditions deemed appropriate by both parties. The  
 74.17 agreement shall specify all terms and conditions of the receivership and shall preserve all  
 74.18 rights of the facility residents as granted by law. A receivership initiated in accordance with  
 74.19 this section shall terminate at the time specified by the parties or at the time when either  
 74.20 party notifies the other in writing that the party wishes to terminate the receivership  
 74.21 agreement.

68.8

ARTICLE 2

68.9

AGING SERVICES

68.10 Section 1. Minnesota Statutes 2022, section 256.975, subdivision 6, is amended to read:

68.11 Subd. 6. Indian Native American elders coordinator position. (a) The Minnesota  
 68.12 Board on Aging shall create ~~an Indian~~ a Native American elders coordinator position; and  
 68.13 shall hire staff as appropriations permit for the purposes of ~~coordinating efforts with the~~  
 68.14 ~~National Indian Council on Aging and developing~~ facilitating the coordination and  
 68.15 development of a ~~comprehensive~~ statewide Tribal-based service system for ~~Indian Native~~  
 68.16 American elders. ~~An Indian elder is defined for purposes of this subdivision as an Indian~~  
 68.17 ~~enrolled in a band or tribe who is 55 years or older.~~

68.18 (b) For purposes of this subdivision, the following terms have the meanings given:

68.19 (1) "Native American elder" means an individual enrolled in a federally recognized  
 68.20 Tribe and identified as an elder according to the requirements of the individual's home Tribe;  
 68.21 and

68.22 (2) "Tribal government" means representatives of each of the 11 federally recognized  
 68.23 Native American Tribes located wholly or partially within the boundaries of the state of  
 68.24 Minnesota.

68.25 (c) The statewide Tribal-based service system ~~must~~ may include the following  
68.26 components:

68.27 (1) ~~an assessment of the program eligibility, examining the need to change the age-based~~  
 68.28 ~~eligibility criteria to need-based eligibility criteria;~~

68.29 (2) (1) a ~~planning system that would plan to grant,~~ or make recommendations for granting,  
 68.30 federal and state funding for statewide Tribal-based Native American programs and services;

- 69.1 (2) a plan to develop business initiatives involving Tribal members that will qualify for
- 69.2 federal- and state-funded elder service contracts;
- 69.3 (3) a plan for statewide Tribal-based service focal points, senior centers, or community
- 69.4 centers for socialization and service accessibility for ~~Indian~~ Native American elders;
- 69.5 (4) a plan to develop and implement statewide education and public awareness campaigns
- 69.6 promotions, including awareness programs, sensitivity cultural sensitivity training, and
- 69.7 public education on ~~Indian elder needs~~ Native American elders;
- 69.8 (5) a plan for statewide culturally appropriate information and referral services for Native
- 69.9 American elders, including legal advice and counsel and trained advocates ~~and an Indian~~
- 69.10 elder newsletter;
- 69.11 (6) a plan for a coordinated statewide Tribal-based health care system including health
- 69.12 promotion/prevention promotion and prevention, in-home service, long-term care service,
- 69.13 and health care services;
- 69.14 (7) a plan for ongoing research involving Indian elders including needs assessment and
- 69.15 needs analysis; collection of significant data on Native American elders, including population,
- 69.16 health, socialization, mortality, homelessness, and economic status; and
- 69.17 ~~(8) information and referral services for legal advice or legal counsel; and~~
- 69.18 ~~(8)~~ (8) a plan to coordinate services with existing organizations, including but not limited
- 69.19 to the state of Minnesota, the ~~Council of Minnesota~~ Indian Affairs Council, the ~~Minnesota~~
- 69.20 ~~Indian Council of Elders~~, the Minnesota Board on Aging, Wisdom Steps, and Minnesota
- 69.21 Tribal governments.

74.22 Sec. 2. Minnesota Statutes 2022, section 256.9754, is amended to read:

74.23 **256.9754 COMMUNITY SERVICES DEVELOPMENT LIVE WELL AT HOME**  
74.24 **GRANTS PROGRAM.**

74.25 Subdivision 1. **Definitions.** For purposes of this section, the following terms have the  
74.26 meanings given.

74.27 (a) "Community" means a town, township, city, or targeted neighborhood within a city,  
74.28 or a consortium of towns, townships, cities, or targeted neighborhoods within cities.

74.29 (b) "Core home and community-based services provider" means a Faith in Action, Living  
74.30 at Home/Block Nurse, congregational nurse, or similar community-based program governed  
74.31 by a board, the majority of whose members reside within the program's service area, that  
75.1 organizes and uses volunteers and paid staff to deliver nonmedical services intended to  
75.2 assist older adults to identify and manage risks and to maintain their community living and  
75.3 integration in the community.

75.4 (c) "Long-term services and supports" means any service available under the elderly  
75.5 waiver program or alternative care grant programs, nursing facility services, transportation

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70.3 (c) "Long-term services and supports" means any service available under the elderly  
70.4 waiver program or alternative care grant programs, nursing facility services, transportation

75.6 services, caregiver support and respite care services, and other home and community-based  
 75.7 services identified as necessary either to maintain lifestyle choices for older adults or to  
 75.8 support them to remain in their own home.

75.9 ~~(b)~~ (d) "Older adult services" means any services available under the elderly waiver  
 75.10 program or alternative care grant programs; nursing facility services; transportation services;  
 75.11 respite services; and other community-based services identified as necessary either to  
 75.12 maintain lifestyle choices for older Minnesotans, or to promote independence.

75.13 ~~(e)~~ (e) "Older adult" refers to individuals 65 years of age and older.

75.14 Subd. 2. **Creation; purpose.** (a) ~~The community services development~~ live well at home  
 75.15 grants program is ~~is~~ created under the administration of the commissioner of human  
 75.16 services.

75.17 (b) The purpose of projects selected by the commissioner of human services under this  
 75.18 section is to make strategic changes in the long-term services and supports system for older  
 75.19 adults and people with dementia, including statewide capacity for local service development  
 75.20 and technical assistance and statewide availability of home and community-based services  
 75.21 for older adult services, caregiver support and respite care services, and other supports in  
 75.22 Minnesota. These projects are intended to create incentives for new and expanded home  
 75.23 and community-based services in Minnesota in order to:

75.24 (1) reach older adults early in the progression of their need for long-term services and  
 75.25 supports, providing them with low-cost, high-impact services that will prevent or delay the  
 75.26 use of more costly services;

75.27 (2) support older adults to live in the most integrated, least restrictive community setting;

75.28 (3) support the informal caregivers of older adults;

75.29 (4) develop and implement strategies to integrate long-term services and supports with  
 75.30 health care services, in order to improve the quality of care and enhance the quality of life  
 75.31 of older adults and their informal caregivers;

75.32 (5) ensure cost-effective use of financial and human resources;

76.1 (6) build community-based approaches and community commitment to delivering  
 76.2 long-term services and supports for older adults in their own homes;

76.3 (7) achieve a broad awareness and use of lower-cost in-home services as an alternative  
 76.4 to nursing homes and other residential services;

76.5 (8) strengthen and develop additional home and community-based services and  
 76.6 alternatives to nursing homes and other residential services; and

76.7 (9) strengthen programs that use volunteers.

70.5 services, caregiver support and respite care services, and other home and community-based  
 70.6 services identified as necessary either to maintain lifestyle choices for older adults or to  
 70.7 support them to remain in their own home.

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 71.6 alternatives to nursing homes and other residential services; and

71.7 (9) strengthen programs that use volunteers.

76.8 (c) The services provided by these projects are available to older adults who are eligible  
 76.9 for medical assistance and the elderly waiver under chapter 256S, the alternative care  
 76.10 program under section 256B.0913, or the essential community supports grant under section  
 76.11 256B.0922, and to persons who have their own money to pay for services.

76.12 Subd. 3. ~~Provision of Community services development grants.~~ The commissioner  
 76.13 shall make community services development grants available to communities, providers of  
 76.14 older adult services ~~identified in subdivision 1, or to~~ a consortium of providers of older  
 76.15 adult services, to establish older adult services. Grants may be provided for capital and other  
 76.16 costs including, but not limited to, start-up and training costs, equipment, and supplies  
 76.17 related to older adult services or other residential or service alternatives to nursing facility  
 76.18 care. Grants may also be made to renovate current buildings, provide transportation services,  
 76.19 fund programs that would allow older adults or individuals with a disability to stay in their  
 76.20 own homes by sharing a home, fund programs that coordinate and manage formal and  
 76.21 informal services to older adults in their homes to enable them to live as independently as  
 76.22 possible in their own homes as an alternative to nursing home care, or expand state-funded  
 76.23 programs in the area.

76.24 Subd. 3a. **Priority for other grants.** The commissioner of health shall give priority to  
 76.25 a grantee selected under subdivision 3 when awarding technology-related grants, if the  
 76.26 grantee is using technology as part of the proposal unless that priority conflicts with existing  
 76.27 state or federal guidance related to grant awards by the Department of Health. The  
 76.28 commissioner of transportation shall give priority to a grantee under subdivision 3 when  
 76.29 distributing transportation-related funds to create transportation options for older adults  
 76.30 unless that preference conflicts with existing state or federal guidance related to grant awards  
 76.31 by the Department of Transportation.

76.32 Subd. 3b. **State waivers.** The commissioner of health may waive applicable state laws  
 76.33 and rules for grantees under subdivision 3 on a time-limited basis if the commissioner of  
 77.1 health determines that a participating grantee requires a waiver in order to achieve  
 77.2 demonstration project goals.

77.3 Subd. 3c. **Caregiver support and respite care projects.** (a) The commissioner shall  
 77.4 establish projects to expand the availability of caregiver support and respite care services  
 77.5 for family and other caregivers. The commissioner shall use a request for proposals to select  
 77.6 nonprofit entities to administer the projects. Projects must:

- 77.7 (1) establish a local coordinated network of volunteer and paid respite workers;  
 77.8 (2) coordinate assignment of respite care services to caregivers of older adults;  
 77.9 (3) assure the health and safety of the older adults;  
 77.10 (4) identify at-risk caregivers;

71.8 (c) The services provided by these projects are available to older adults who are eligible  
 71.9 for medical assistance and the elderly waiver under chapter 256S, the alternative care  
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 72.10 (4) identify at-risk caregivers;

77.11 (5) provide information, education, and training for caregivers in the designated  
 77.12 community; and

77.13 (6) demonstrate the need in the proposed service area, particularly where nursing facility  
 77.14 closures have occurred or are occurring or areas with service needs identified by section  
 77.15 144A.351. Preference must be given for projects that reach underserved populations.

77.16 (b) Projects must clearly describe:

77.17 (1) how they will achieve their purpose;

77.18 (2) the process for recruiting, training, and retraining volunteers; and

77.19 (3) a plan to promote the project in the designated community, including outreach to  
 77.20 persons needing the services.

77.21 (c) Money for all projects under this subdivision may be used to:

77.22 (1) hire a coordinator to develop a coordinated network of volunteer and paid respite  
 77.23 care services and assign workers to clients;

77.24 (2) recruit and train volunteer providers;

77.25 (3) provide information, training, and education to caregivers;

77.26 (4) advertise the availability of the caregiver support and respite care project; and

77.27 (5) purchase equipment to maintain a system of assigning workers to clients.

77.28 (d) Volunteer and caregiver training must include resources on how to support an  
 77.29 individual with dementia.

77.30 (e) Project money may not be used to supplant existing funding sources.

78.1 Subd. 3d. **Core home and community-based services projects.** The commissioner  
 78.2 shall select and contract with core home and community-based services providers for projects  
 78.3 to provide services and supports to older adults both with and without family and other  
 78.4 informal caregivers using a request for proposals process. Projects must:

78.5 (1) have a credible public or private nonprofit sponsor providing ongoing financial  
 78.6 support;

78.7 (2) have a specific, clearly defined geographic service area;

78.8 (3) use a practice framework designed to identify high-risk older adults and help them  
 78.9 take action to better manage their chronic conditions and maintain their community living;

78.10 (4) have a team approach to coordination and care, ensuring that the older adult  
 78.11 participants, their families, and the formal and informal providers are all part of planning  
 78.12 and providing services;

72.11 (5) provide information, education, and training for caregivers in the designated  
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73.10 (4) have a team approach to coordination and care, ensuring that the older adult  
 73.11 participants, their families, and the formal and informal providers are all part of planning  
 73.12 and providing services;

78.13 (5) provide information, support services, homemaking services, counseling, and training  
78.14 for the older adults and family caregivers;

78.15 (6) encourage service area or neighborhood residents and local organizations to  
78.16 collaborate in meeting the needs of older adults in their geographic service areas;

78.17 (7) recruit, train, and direct the use of volunteers to provide informal services and other  
78.18 appropriate support to older adults and their caregivers; and

78.19 (8) provide coordination and management of formal and informal services to older adults  
78.20 and their families using less expensive alternatives.

78.21 Subd. 3e. **Community service grants.** The commissioner shall award contracts for  
78.22 grants to public and private nonprofit agencies to establish services that strengthen a  
78.23 community's ability to provide a system of home and community-based services for elderly  
78.24 persons. The commissioner shall use a request for proposals process.

78.25 Subd. 3f. **Live well at home grants extension.** (a) A community or organization that  
78.26 has previously received a grant under subdivision 3, except any grants or portion of a grant  
78.27 for capital or other onetime costs, or subdivisions 3c to 3e, for a project that has proven to  
78.28 be successful and that is no longer eligible for funding under subdivision 3, 3c, 3d, or 3e  
78.29 may apply to the commissioner to receive ongoing funding to sustain the project.

78.30 (b) The commissioner must use a request for proposals process and may use a two-year  
78.31 grant cycle.

79.1 Subd. 4. **Eligibility.** Grants may be awarded only to communities and providers or to a  
79.2 consortium of providers that have a local match of 50 percent of the costs for the project in  
79.3 the form of donations, local tax dollars, in-kind donations, fundraising, or other local matches.

79.4 Subd. 5. **Grant preference.** The commissioner of human services shall give preference  
79.5 when awarding grants under this section to areas where nursing facility closures have  
79.6 occurred or are occurring or areas with service needs identified by section 144A.351. The  
79.7 commissioner may award grants to the extent grant funds are available and to the extent  
79.8 applications are approved by the commissioner. Denial of approval of an application in one  
79.9 year does not preclude submission of an application in a subsequent year. The maximum  
79.10 grant amount is limited to \$750,000.

79.11 **Sec. 3. [256.9756] CAREGIVER RESPITE SERVICES GRANTS.**

79.12 Subdivision 1. **Caregiver respite grant program established.** The commissioner of  
79.13 human services must establish a caregiver respite services grant program to increase the  
79.14 availability of respite services for family caregivers of people with dementia and older adults  
79.15 and to provide information, education, and training to respite caregivers and volunteers  
79.16 regarding caring for people with dementia. From the money made available for this purpose,  
79.17 the commissioner must award grants on a competitive basis to respite service providers,  
79.18 giving priority to areas of the state where there is a high need of respite services.

73.13 (5) provide information, support services, homemaking services, counseling, and training  
73.14 for the older adults and family caregivers;

73.15 (6) encourage service area or neighborhood residents and local organizations to  
73.16 collaborate in meeting the needs of older adults in their geographic service areas;

73.17 (7) recruit, train, and direct the use of volunteers to provide informal services and other  
73.18 appropriate support to older adults and their caregivers; and

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73.20 and their families using less expensive alternatives.

73.21 Subd. 3e. **Community service grants.** The commissioner shall award contracts for  
73.22 grants to public and private nonprofit agencies to establish services that strengthen a  
73.23 community's ability to provide a system of home and community-based services for elderly  
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73.26 consortium of providers that have a local match of 50 percent of the costs for the project in  
73.27 the form of donations, local tax dollars, in-kind donations, fundraising, or other local matches.

73.28 Subd. 5. **Grant preference.** The commissioner of human services shall give preference  
73.29 when awarding grants under this section to areas where nursing facility closures have  
73.30 occurred or are occurring or areas with service needs identified by section 144A.351. The  
73.31 commissioner may award grants to the extent grant funds are available and to the extent  
73.32 applications are approved by the commissioner. Denial of approval of an application in one  
74.1 year does not preclude submission of an application in a subsequent year. The maximum  
74.2 grant amount is limited to \$750,000.

74.3 **Sec. 3. [256.9756] CAREGIVER RESPITE SERVICES GRANTS.**

74.4 Subdivision 1. **Caregiver respite services grant program established.** The  
74.5 commissioner of human services must establish a caregiver respite services grant program  
74.6 to increase the availability of respite services for family caregivers of people with dementia  
74.7 and older adults and to provide information, education, and training to respite caregivers  
74.8 and volunteers regarding caring for people with dementia. From the money made available  
74.9 for this purpose, the commissioner must award grants on a competitive basis to respite

79.19 Subd. 2. **Eligible uses.** Grant recipients awarded grant money under this section must  
 79.20 use a portion of the grant award as determined by the commissioner to provide free or  
 79.21 subsidized respite services for family caregivers of people with dementia and older adults.

79.22 Subd. 3. **Report.** By January 15, 2026, the commissioner shall submit a progress report  
 79.23 about the caregiver respite services grants in this section to the chairs and ranking minority  
 79.24 members of the legislative committees and divisions with jurisdiction over human services.  
 79.25 The progress report must include metrics of the use of grant program money. This subdivision  
 79.26 expires upon submission of the report. The commissioner shall inform the revisor of statutes  
 79.27 when the report is submitted.

79.28 Sec. 4. Minnesota Statutes 2022, section 256B.0913, subdivision 4, is amended to read:

79.29 Subd. 4. **Eligibility for funding for services for nonmedical assistance recipients.** (a)  
 79.30 Funding for services under the alternative care program is available to persons who meet  
 79.31 the following criteria:

79.32 (1) the person is a citizen of the United States or a United States national;

80.1 (2) the person has been determined by a community assessment under section 256B.0911  
 80.2 to be a person who would require the level of care provided in a nursing facility, as  
 80.3 determined under section 256B.0911, subdivision 26, but for the provision of services under  
 80.4 the alternative care program;

80.5 (3) the person is age 65 or older;

80.6 (4) the person would be eligible for medical assistance within 135 days of admission to  
 80.7 a nursing facility;

80.8 (5) the person is not ineligible for the payment of long-term care services by the medical  
 80.9 assistance program due to an asset transfer penalty under section 256B.0595 or equity  
 80.10 interest in the home exceeding \$500,000 as stated in section 256B.056;

80.11 (6) the person needs long-term care services that are not funded through other state or  
 80.12 federal funding, or other health insurance or other third-party insurance such as long-term  
 80.13 care insurance;

80.14 (7) except for individuals described in clause (8), the monthly cost of the alternative  
 80.15 care services funded by the program for this person does not exceed 75 percent of the  
 80.16 monthly limit described under section 256S.18. This monthly limit does not prohibit the  
 80.17 alternative care client from payment for additional services, but in no case may the cost of  
 80.18 additional services purchased under this section exceed the difference between the client's  
 80.19 monthly service limit defined under section 256S.04, and the alternative care program  
 80.20 monthly service limit defined in this paragraph. If care-related supplies and equipment or  
 80.21 environmental modifications and adaptations are or will be purchased for an alternative

74.10 service providers, giving priority to areas of the state where there is a high need of respite  
 74.11 services.

74.12 Subd. 2. **Eligible uses.** Grant recipients awarded grant money under this section must  
 74.13 use a portion of the grant award as determined by the commissioner to provide free or  
 74.14 subsidized respite services for family caregivers of people with dementia and older adults.

74.15 Subd. 3. **Report.** By January 15, 2026, and every other January 15 thereafter, the  
 74.16 commissioner shall submit a progress report about the caregiver respite services grants in  
 74.17 this section to the chairs and ranking minority members of the legislative committees with  
 74.18 jurisdiction over human services finance and policy. The progress report must include  
 74.19 metrics of the use of the grant program money.

80.22 care services recipient, the costs may be prorated on a monthly basis for up to 12 consecutive  
80.23 months beginning with the month of purchase. If the monthly cost of a recipient's other  
80.24 alternative care services exceeds the monthly limit established in this paragraph, the annual  
80.25 cost of the alternative care services shall be determined. In this event, the annual cost of  
80.26 alternative care services shall not exceed 12 times the monthly limit described in this  
80.27 paragraph;

80.28 (8) for individuals assigned a case mix classification A as described under section  
80.29 256S.18, with (i) no dependencies in activities of daily living, or (ii) up to two dependencies  
80.30 in bathing, dressing, grooming, walking, and eating when the dependency score in eating  
80.31 is three or greater as determined by an assessment performed under section 256B.0911, the  
80.32 monthly cost of alternative care services funded by the program cannot exceed \$593 per  
80.33 month for all new participants enrolled in the program on or after July 1, 2011. This monthly  
80.34 limit shall be applied to all other participants who meet this criteria at reassessment. This  
81.1 monthly limit shall be increased annually as described in section 256S.18. This monthly  
81.2 limit does not prohibit the alternative care client from payment for additional services, but  
81.3 in no case may the cost of additional services purchased exceed the difference between the  
81.4 client's monthly service limit defined in this clause and the limit described in clause (7) for  
81.5 case mix classification A; ~~and~~

81.6 (9) the person is making timely payments of the assessed monthly fee. A person is  
81.7 ineligible if payment of the fee is over 60 days past due, unless the person agrees to:

81.8 (i) the appointment of a representative payee;

81.9 (ii) automatic payment from a financial account;

81.10 (iii) the establishment of greater family involvement in the financial management of  
81.11 payments; or

81.12 (iv) another method acceptable to the lead agency to ensure prompt fee payments; and

81.13 (10) for a person participating in consumer-directed community supports, the person's  
81.14 monthly service limit must be equal to the monthly service limits in clause (7), except that  
81.15 a person assigned a case mix classification L must receive the monthly service limit for  
81.16 case mix classification A.

81.17 (b) The lead agency may extend the client's eligibility as necessary while making  
81.18 arrangements to facilitate payment of past-due amounts and future premium payments.  
81.19 Following disenrollment due to nonpayment of a monthly fee, eligibility shall not be  
81.20 reinstated for a period of 30 days.

81.21 (c) Alternative care funding under this subdivision is not available for a person who is  
81.22 a medical assistance recipient or who would be eligible for medical assistance without a  
81.23 spenddown or waiver obligation. A person whose initial application for medical assistance  
81.24 and the elderly waiver program is being processed may be served under the alternative care  
81.25 program for a period up to 60 days. If the individual is found to be eligible for medical



81.26 assistance, medical assistance must be billed for services payable under the federally  
81.27 approved elderly waiver plan and delivered from the date the individual was found eligible  
81.28 for the federally approved elderly waiver plan. Notwithstanding this provision, alternative  
81.29 care funds may not be used to pay for any service the cost of which: (i) is payable by medical  
81.30 assistance; (ii) is used by a recipient to meet a waiver obligation; or (iii) is used to pay a  
81.31 medical assistance income spenddown for a person who is eligible to participate in the  
81.32 federally approved elderly waiver program under the special income standard provision.

82.1 (d) Alternative care funding is not available for a person who resides in a licensed nursing  
82.2 home, certified boarding care home, hospital, or intermediate care facility, except for case  
82.3 management services which are provided in support of the discharge planning process for  
82.4 a nursing home resident or certified boarding care home resident to assist with a relocation  
82.5 process to a community-based setting.

82.6 (e) Alternative care funding is not available for a person whose income is greater than  
82.7 the maintenance needs allowance under section 256S.05, but equal to or less than 120 percent  
82.8 of the federal poverty guideline effective July 1 in the fiscal year for which alternative care  
82.9 eligibility is determined, who would be eligible for the elderly waiver with a waiver  
82.10 obligation.

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

82.12 Sec. 5. Minnesota Statutes 2022, section 256B.0913, subdivision 5, is amended to read:

82.13 Subd. 5. **Services covered under alternative care.** Alternative care funding may be  
82.14 used for payment of costs of:

82.15 (1) adult day services and adult day services bath;

82.16 (2) home care;

82.17 (3) homemaker services;

82.18 (4) personal care;

82.19 (5) case management and conversion case management;

82.20 (6) respite care;

82.21 (7) specialized supplies and equipment;

82.22 (8) home-delivered meals;

82.23 (9) nonmedical transportation;

82.24 (10) nursing services;

82.25 (11) chore services;

82.26 (12) companion services;

82.27 (13) nutrition services;

82.28 (14) family caregiver training and education;

82.29 (15) coaching and counseling;

83.1 (16) telehome care to provide services in their own homes in conjunction with in-home

83.2 visits;

83.3 (17) consumer-directed community supports under the alternative care programs which

83.4 are available statewide and limited to the average monthly expenditures representative of

83.5 all alternative care program participants for the same case mix resident class assigned in

83.6 the most recent fiscal year for which complete expenditure data is available;

83.7 (18) environmental accessibility and adaptations; and

83.8 (19) discretionary services, for which lead agencies may make payment from their

83.9 alternative care program allocation for services not otherwise defined in this section or

83.10 section 256B.0625, following approval by the commissioner.

83.11 Total annual payments for discretionary services for all clients served by a lead agency

83.12 must not exceed 25 percent of that lead agency's annual alternative care program base

83.13 allocation, except that when alternative care services receive federal financial participation

83.14 under the 1115 waiver demonstration, funding shall be allocated in accordance with

83.15 subdivision 17.

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

83.17 Sec. 6. Minnesota Statutes 2022, section 256B.0917, subdivision 1b, is amended to read:

83.18 Subd. 1b. **Definitions.** (a) For purposes of this section, the following terms have the

83.19 meanings given.

83.20 (b) "Community" means a town, township, city, or targeted neighborhood within a city,

83.21 or a consortium of towns, townships, cities, or specific neighborhoods within a city.

83.22 (c) "Core home and community-based services provider" means a Faith in Action, Living

83.23 at Home Block Nurse, Congregational Nurse, or similar community-based program governed

83.24 by a board, the majority of whose members reside within the program's service area, that

83.25 organizes and uses volunteers and paid staff to deliver nonmedical services intended to

83.26 assist older adults to identify and manage risks and to maintain their community living and

83.27 integration in the community.

83.28 (d) "Eldercare development partnership" means a team of representatives of county

83.29 social service and public health agencies, the area agency on aging, local nursing home

83.30 providers, local home care providers, and other appropriate home and community-based

83.31 providers in the area agency's planning and service area.

74.20 Sec. 4. Minnesota Statutes 2022, section 256B.0917, subdivision 1b, is amended to read:

74.21 Subd. 1b. **Definitions.** (a) For purposes of this section, the following terms have the

74.22 meanings given.

74.23 (b) "Community" means a town, township, city, or targeted neighborhood within a city,

74.24 or a consortium of towns, townships, cities, or specific neighborhoods within a city.

74.25 (c) "Core home and community-based services provider" means a Faith in Action, Living

74.26 at Home Block Nurse, Congregational Nurse, or similar community-based program governed

74.27 by a board, the majority of whose members reside within the program's service area, that

74.28 organizes and uses volunteers and paid staff to deliver nonmedical services intended to

74.29 assist older adults to identify and manage risks and to maintain their community living and

74.30 integration in the community.

74.31 (d) (b) "Eldercare development partnership" means a team of representatives of county

74.32 social service and public health agencies, the area agency on aging, local nursing home

75.1 providers, local home care providers, and other appropriate home and community-based

75.2 providers in the area agency's planning and service area.

84.1 ~~(c)~~ (c) "Long-term services and supports" means any service available under the elderly  
 84.2 waiver program or alternative care grant programs, nursing facility services, transportation  
 84.3 services, caregiver support and respite care services, and other home and community-based  
 84.4 services identified as necessary either to maintain lifestyle choices for older adults or to  
 84.5 support them to remain in their own home.

84.6 ~~(d)~~ (d) "Older adult" refers to an individual who is 65 years of age or older.

84.7 Sec. 7. Minnesota Statutes 2022, section 256B.0922, subdivision 1, is amended to read:

84.8 Subdivision 1. **Essential community supports.** (a) The purpose of the essential  
 84.9 community supports program is to provide targeted services to persons age 65 and older  
 84.10 who need essential community support, but whose needs do not meet the level of care  
 84.11 required for nursing facility placement under section 144.0724, subdivision 11.

84.12 (b) Essential community supports are available not to exceed \$400 \$600 per person per  
 84.13 month. Essential community supports may be used as authorized within an authorization  
 84.14 period not to exceed 12 months. Services must be available to a person who:

84.15 (1) is age 65 or older;

84.16 (2) is not eligible for medical assistance;

84.17 (3) has received a community assessment under section 256B.0911, subdivisions 17 to  
 84.18 21, 23, 24, or 27, and does not require the level of care provided in a nursing facility;

84.19 (4) meets the financial eligibility criteria for the alternative care program under section  
 84.20 256B.0913, subdivision 4;

84.21 (5) has an assessment summary; and

84.22 (6) has been determined by a community assessment under section 256B.0911,  
 84.23 subdivisions 17 to 21, 23, 24, or 27, to be a person who would require provision of at least  
 84.24 one of the following services, as defined in the approved elderly waiver plan, in order to  
 84.25 maintain their community residence:

84.26 (i) adult day services;

84.27 (ii) caregiver support, including respite care;

84.28 (iii) homemaker support;

84.29 (iv) adult companion services;

84.30 ~~(v)~~ (v) chores;

85.1 ~~(vi)~~ (vi) a personal emergency response device or system;

85.2 ~~(vii)~~ (vii) home-delivered meals; or

85.3 ~~(viii)~~ (viii) community living assistance as defined by the commissioner.

75.3 ~~(c)~~ (c) "Long-term services and supports" means any service available under the elderly  
 75.4 waiver program or alternative care grant programs, nursing facility services, transportation  
 75.5 services, caregiver support and respite care services, and other home and community-based  
 75.6 services identified as necessary either to maintain lifestyle choices for older adults or to  
 75.7 support them to remain in their own home.

75.8 ~~(d)~~ (d) "Older adult" refers to an individual who is 65 years of age or older.

85.4 (c) The person receiving any of the essential community supports in this subdivision  
85.5 must also receive service coordination, not to exceed \$600 in a 12-month authorization  
85.6 period, as part of their assessment summary.

85.7 (d) A person who has been determined to be eligible for essential community supports  
85.8 must be reassessed at least annually and continue to meet the criteria in paragraph (b) to  
85.9 remain eligible for essential community supports.

85.10 (e) The commissioner is authorized to use federal matching funds for essential community  
85.11 supports as necessary and to meet demand for essential community supports as outlined in  
85.12 subdivision 2, and that amount of federal funds is appropriated to the commissioner for this  
85.13 purpose.

85.14 Sec. 8. Minnesota Statutes 2022, section 256B.434, is amended by adding a subdivision  
85.15 to read:

85.16 Subd. 4k. **Property rate increase for certain nursing facilities.** (a) A rate increase  
85.17 under this subdivision ends upon the effective date of the transition of the facility's property  
85.18 rate to a property payment rate under section 256R.26, subdivision 8.

85.19 (b) The commissioner shall increase the property rate of a nursing facility located in the  
85.20 city of Saint Paul at 1415 Almond Avenue in Ramsey County by \$10.65 on September 1,  
85.21 2023.

85.22 (c) The commissioner shall increase the property rate of a nursing facility located in the  
85.23 city of Duluth at 3111 Church Place in St. Louis County by \$20.81 on September 1, 2023.

85.24 (d) The commissioner shall increase the property rate of a nursing facility located in the  
85.25 city of Chatfield at 1102 Liberty Street SE in Fillmore County by \$21.35 on September 1,  
85.26 2023.

85.27 **EFFECTIVE DATE.** This section is effective September 1, 2023.

86.1 Sec. 9. Minnesota Statutes 2022, section 256M.42, is amended to read:

86.2 **256M.42 ADULT PROTECTION GRANT ALLOCATIONS.**

86.3 Subdivision 1. **Formula.** (a) The commissioner shall allocate state money appropriated  
86.4 under this section on an annual basis to each county board ~~and tribal government approved~~  
86.5 ~~by the commissioner to assume county agency duties for adult protective services or as a~~  
86.6 ~~lead investigative agency protection under section 626.557 on an annual basis in an amount~~  
86.7 ~~determined~~ and to Tribal Nations that have voluntarily chosen by resolution of Tribal  
86.8 government to participate in vulnerable adult protection programs according to the following  
86.9 formula after the award of the amounts in paragraph (c):

86.10 (1) 25 percent must be allocated to the responsible agency on the basis of the number  
86.11 of reports of suspected vulnerable adult maltreatment under sections 626.557 and 626.5572,

75.9 Sec. 5. Minnesota Statutes 2022, section 256M.42, is amended to read:

75.10 **256M.42 ADULT PROTECTION GRANT ALLOCATIONS.**

75.11 Subdivision 1. **Formula.** (a) The commissioner shall allocate state money appropriated  
75.12 under this section on an annual basis to each county board ~~and tribal government approved~~  
75.13 ~~by the commissioner to assume county agency duties for adult protective services or as a~~  
75.14 ~~lead investigative agency protection under section 626.557 on an annual basis in an amount~~  
75.15 ~~determined~~ and to Tribal Nations that have voluntarily chosen by resolution of Tribal  
75.16 government to participate in vulnerable adult protection programs according to the following  
75.17 formula after the award of the amounts in paragraph (c):

75.18 (1) 25 percent must be allocated to the responsible agency on the basis of the number  
75.19 of reports of suspected vulnerable adult maltreatment under sections 626.557 and 626.5572,

86.12 ~~when the county or tribe is responsible~~ as determined by the most recent data of the  
 86.13 commissioner; and

86.14 (2) 75 percent must be allocated to the responsible agency on the basis of the number  
 86.15 of screened-in reports for adult protective services or vulnerable adult maltreatment  
 86.16 investigations under sections 626.557 and 626.5572, ~~when the county or tribe is responsible~~  
 86.17 as determined by the most recent data of the commissioner.

86.18 (b) ~~The commissioner is precluded from changing the formula under this subdivision~~  
 86.19 ~~or recommending a change to the legislature without public review and input.~~  
 86.20 Notwithstanding paragraph (a), the commissioner must not award a county less than a  
 86.21 minimum allocation established by the commissioner.

86.22 (c) To receive money under this subdivision, a participating Tribal Nation must apply  
 86.23 to the commissioner. Of the amount appropriated for purposes of this section, the  
 86.24 commissioner must award \$100,000 to each federally recognized Tribal Nation that has  
 86.25 applied to the commissioner and has a Tribal resolution establishing a vulnerable adult  
 86.26 protection program. Money received by a Tribal Nation under this section must be used for  
 86.27 its vulnerable adult protection program.

86.28 Subd. 2. **Payment.** The commissioner shall make allocations for the state fiscal year  
 86.29 starting July 1, ~~2019~~ 2023, and to each county board or tribal government on or before  
 86.30 October 10, ~~2019~~ 2023. The commissioner shall make allocations under subdivision 1 to  
 86.31 each county board or tribal government each year thereafter on or before July 10.

86.32 Subd. 3. ~~Prohibition on supplanting existing money Purpose of expenditures.~~ Money  
 86.33 received under this section must be used ~~for staffing for protection of vulnerable adults or~~  
 87.1 ~~to meet the agency's duties under section 626.557 and to expand adult protective services~~  
 87.2 ~~to stop, prevent, and reduce risks of maltreatment for adults accepted for services under~~  
 87.3 ~~section 626.557, or for multidisciplinary teams under section 626.5571. Money must not~~  
 87.4 ~~be used to supplant current county or tribe expenditures for these purposes.~~

87.5 Subd. 4. **Required expenditures.** State money must be used to expand, not supplant,  
 87.6 county or Tribal expenditures for the fiscal year 2023 base for adult protection programs,  
 87.7 service interventions, or multidisciplinary teams. This prohibition on county or Tribal  
 87.8 expenditures supplanting state money ends July 1, 2027.

87.9 Subd. 5. **County performance on adult protection measures.** The commissioner must  
 87.10 set vulnerable adult protection measures and standards for money received under this section.  
 87.11 The commissioner must require an underperforming county to demonstrate that the county  
 87.12 designated money allocated under this section for the purpose required and implemented a  
 87.13 reasonable strategy to improve adult protection performance, including the provision of a  
 87.14 performance improvement plan and additional remedies identified by the commissioner.  
 87.15 The commissioner may redirect up to 20 percent of a county's money under this section  
 87.16 toward the performance improvement plan.

75.20 ~~when the county or tribe is responsible~~ as determined by the most recent data of the  
 75.21 commissioner; and

75.22 (2) 75 percent must be allocated to the responsible agency on the basis of the number  
 75.23 of screened-in reports for adult protective services or vulnerable adult maltreatment  
 75.24 investigations under sections 626.557 and 626.5572, ~~when the county or tribe is responsible~~  
 75.25 as determined by the most recent data of the commissioner.

75.26 (b) ~~The commissioner is precluded from changing the formula under this subdivision~~  
 75.27 ~~or recommending a change to the legislature without public review and input.~~  
 75.28 Notwithstanding this subdivision, no county must be awarded less than a minimum allocation  
 75.29 established by the commissioner.

75.30 (c) To receive money under this subdivision, a participating Tribal Nation must apply  
 75.31 to the commissioner. Of the amount appropriated for purposes of this section, the  
 75.32 commissioner must award \$100,000 to each federally recognized Tribal Nation with a Tribal  
 76.1 resolution establishing a vulnerable adult protection program. Money received by a Tribal  
 76.2 Nation under this section must be used for its vulnerable adult protection program.

76.3 Subd. 2. **Payment.** The commissioner shall make allocations for the state fiscal year  
 76.4 starting July 1, ~~2019~~ 2023, and to each county board or Tribal government on or before  
 76.5 October 10, ~~2019~~ 2023. The commissioner shall make allocations under subdivision 1 to  
 76.6 each county board or Tribal government each year thereafter on or before July 10.

76.7 Subd. 3. ~~Prohibition on supplanting existing money Purpose of expenditures.~~ Money  
 76.8 received under this section must be used ~~for staffing for protection of vulnerable adults or~~  
 76.9 ~~to meet the agency's duties under section 626.557 and to expand adult protective services~~  
 76.10 ~~to stop, prevent, and reduce risks of maltreatment for adults accepted for services under~~  
 76.11 ~~section 626.557 or for multidisciplinary teams under section 626.5571. Money must not be~~  
 76.12 ~~used to supplant current county or tribe expenditures for these purposes.~~

76.13 Subd. 4. **Required expenditures.** State money must be used to expand, not supplant,  
 76.14 county or Tribal expenditures for the fiscal year 2023 base for adult protection programs,  
 76.15 service interventions, or multidisciplinary teams. This prohibition on county or Tribal  
 76.16 expenditures supplanting state money ends July 1, 2027.

76.17 Subd. 5. **County performance on adult protection measures.** The commissioner must  
 76.18 set vulnerable adult protection measures and standards for money received under this section.  
 76.19 The commissioner must require an underperforming county to demonstrate that the county  
 76.20 designated money allocated under this section for the purpose required and implemented a  
 76.21 reasonable strategy to improve adult protection performance, including the development of  
 76.22 a performance improvement plan and additional remedies identified by the commissioner.  
 76.23 The commissioner may redirect up to 20 percent of an underperforming county's money  
 76.24 under this section toward the performance improvement plan.

87.17 Subd. 6. **American Indian adult protection.** Tribal Nations receiving money under  
 87.18 this section must establish vulnerable adult protection measures and standards and report  
 87.19 annually to the commissioner on these outcomes and the number of adults served.

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

87.21 Sec. 10. Minnesota Statutes 2022, section 256R.02, subdivision 19, is amended to read:

87.22 Subd. 19. **External fixed costs.** "External fixed costs" means costs related to the nursing  
 87.23 home surcharge under section 256.9657, subdivision 1; licensure fees under section 144.122;  
 87.24 family advisory council fee under section 144A.33; scholarships under section 256R.37;  
 87.25 planned closure rate adjustments under section 256R.40; consolidation rate adjustments  
 87.26 under section 144A.071, subdivisions 4c, paragraph (a), clauses (5) and (6), and 4d;  
 87.27 single-bed room incentives under section 256R.41; property taxes, special assessments, and  
 87.28 payments in lieu of taxes; employer health insurance costs; quality improvement incentive  
 87.29 payment rate adjustments under section 256R.39; performance-based incentive payments  
 87.30 under section 256R.38; special dietary needs under section 256R.51; Public Employees  
 87.31 Retirement Association employer costs; and ~~border city~~ facility-specific rate adjustments  
 87.32 modifications under section 256R.481.

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

76.25 Subd. 6. **American Indian adult protection.** Tribal Nations shall establish vulnerable  
 76.26 adult protection measures and standards and report annually to the commissioner on these  
 76.27 outcomes and the number of adults served.

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

76.29 Sec. 6. Minnesota Statutes 2022, section 256R.13, subdivision 1, is amended to read:

76.30 Subdivision 1. **Audit authority.** (a) The commissioner shall provide for an audit of the  
 76.31 cost and statistical data of nursing facilities participating as vendors of medical assistance.  
 76.32 The commissioner shall select for audit at least 15 percent of the nursing facilities' data  
 76.33 reported at random or using factors including, but not limited to: data reported to the public  
 77.1 as criteria for rating nursing facilities; data used to set limits for other medical assistance  
 77.2 programs or vendors of services to nursing facilities; change in ownership; frequent changes  
 77.3 in administration in excess of normal turnover rates; complaints to the commissioner of  
 77.4 health about care, safety, or rights; where previous inspections or reinspections under section  
 77.5 144A.10 have resulted in correction orders related to care, safety, or rights; or where persons  
 77.6 involved in ownership or administration of the facility have been indicted for alleged criminal  
 77.7 activity.

77.8 (b) The commissioner shall meet the 15 percent requirement by either conducting an  
 77.9 audit focused on an individual nursing facility, a group of facilities, or targeting specific  
 77.10 data categories in multiple nursing facilities. These audits may be conducted on site at the  
 77.11 nursing facility, at office space used by a nursing facility or a nursing facility's parent  
 77.12 organization, or at the commissioner's office. Data being audited may be collected  
 77.13 electronically, in person, or by any other means the commissioner finds acceptable.

88.1 Sec. 11. Minnesota Statutes 2022, section 256R.17, subdivision 2, is amended to read:

88.2 Subd. 2. **Case mix indices.** (a) The commissioner shall assign a case mix index to each  
88.3 case mix classification ~~based on the Centers for Medicare and Medicaid Services staff time~~  
88.4 ~~measurement study~~ as determined by the commissioner of health under section 144.0724.

88.5 (b) An index maximization approach shall be used to classify residents. "Index  
88.6 maximization" has the meaning given in section 144.0724, subdivision 2, paragraph (c).

88.7 Sec. 12. Minnesota Statutes 2022, section 256R.25, is amended to read:

88.8 **256R.25 EXTERNAL FIXED COSTS PAYMENT RATE.**

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

88.11 (b) For a facility licensed as a nursing home, the portion related to the provider surcharge  
88.12 under section 256.9657 is equal to \$8.86 per resident day. For a facility licensed as both a  
88.13 nursing home and a boarding care home, the portion related to the provider surcharge under  
88.14 section 256.9657 is equal to \$8.86 per resident day multiplied by the result of its number  
88.15 of nursing home beds divided by its total number of licensed beds.

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

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

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

88.21 (f) The portion related to planned closure rate adjustments is as determined under section  
88.22 256R.40, subdivision 5, and Minnesota Statutes 2010, section 256B.436.

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

88.25 (h) The portion related to single-bed room incentives is as determined under section  
88.26 256R.41.

88.27 (i) The portions related to real estate taxes, special assessments, and payments made in  
88.28 lieu of real estate taxes directly identified or allocated to the nursing facility are the allowable  
88.29 amounts divided by the sum of the facility's resident days. Allowable costs under this  
88.30 paragraph for payments made by a nonprofit nursing facility that are in lieu of real estate  
88.31 taxes shall not exceed the amount which the nursing facility would have paid to a city or

77.14 (c) Within the limits of available appropriations, the commissioner may contract with a  
77.15 third party to conduct audits as necessary in order to meet the requirements of this subdivision  
77.16 and the notice of rates requirement under section 256R.09, subdivision 1.

77.17 **EFFECTIVE DATE.** This section is effective for rate years beginning January 1, 2024.

77.18 Sec. 7. Minnesota Statutes 2022, section 256R.17, subdivision 2, is amended to read:

77.19 Subd. 2. **Case mix indices.** (a) The commissioner shall assign a case mix index to each  
77.20 case mix classification ~~based on the Centers for Medicare and Medicaid Services staff time~~  
77.21 ~~measurement study~~ as determined by the commissioner of health under section 144.0724.

77.22 (b) An index maximization approach shall be used to classify residents. "Index  
77.23 maximization" has the meaning given in section 144.0724, subdivision 2, paragraph (c).

77.24 Sec. 8. Minnesota Statutes 2022, section 256R.25, is amended to read:

77.25 **256R.25 EXTERNAL FIXED COSTS PAYMENT RATE.**

77.26 (a) The payment rate for external fixed costs is the sum of the amounts in paragraphs  
77.27 (b) to ~~(o)~~ (p).

77.28 (b) For a facility licensed as a nursing home, the portion related to the provider surcharge  
77.29 under section 256.9657 is equal to \$8.86 per resident day. For a facility licensed as both a  
77.30 nursing home and a boarding care home, the portion related to the provider surcharge under  
77.31 section 256.9657 is equal to \$8.86 per resident day multiplied by the result of its number  
77.32 of nursing home beds divided by its total number of licensed beds.

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

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

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

78.6 (f) The portion related to planned closure rate adjustments is as determined under section  
78.7 256R.40, subdivision 5, and Minnesota Statutes 2010, section 256B.436.

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

78.10 (h) The portion related to single-bed room incentives is as determined under section  
78.11 256R.41.

78.12 (i) The portions related to real estate taxes, special assessments, and payments made in  
78.13 lieu of real estate taxes directly identified or allocated to the nursing facility are the allowable  
78.14 amounts divided by the sum of the facility's resident days. Allowable costs under this  
78.15 paragraph for payments made by a nonprofit nursing facility that are in lieu of real estate  
78.16 taxes shall not exceed the amount which the nursing facility would have paid to a city or

89.1 township and county for fire, police, sanitation services, and road maintenance costs had  
89.2 real estate taxes been levied on that property for those purposes.

89.3 (j) The portion related to employer health insurance costs is the allowable costs divided  
89.4 by the sum of the facility's resident days.

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

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

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

89.11 (n) The portion related to special dietary needs is the amount determined under section  
89.12 256R.51.

89.13 (o) The portion related to the rate adjustments for ~~border city facilities~~ facility-specific  
89.14 rate modifications is the amount determined under section 256R.481.

89.15 (p) The portion related to the rate adjustment for critical access nursing facilities is the  
89.16 amount determined under section 256R.47.

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

89.18 Sec. 13. Minnesota Statutes 2022, section 256R.47, is amended to read:

89.19 **256R.47 RATE ADJUSTMENT FOR CRITICAL ACCESS NURSING**  
89.20 **FACILITIES.**

89.21 (a) The commissioner, in consultation with the commissioner of health, may designate  
89.22 certain nursing facilities as critical access nursing facilities. The designation shall be granted  
89.23 on a competitive basis, within the limits of funds appropriated for this purpose.

89.24 (b) The commissioner shall request proposals from nursing facilities every two years.  
89.25 Proposals must be submitted in the form and according to the timelines established by the  
89.26 commissioner. In selecting applicants to designate, the commissioner, in consultation with  
89.27 the commissioner of health, and with input from stakeholders, shall develop criteria designed  
89.28 to preserve access to nursing facility services in isolated areas, rebalance long-term care,  
89.29 and improve quality. To the extent practicable, the commissioner shall ensure an even  
89.30 distribution of designations across the state.

90.1 (c) ~~The commissioner shall allow the benefits in clauses (1) to (5) For nursing facilities~~  
90.2 ~~designated as critical access nursing facilities; the commissioner shall allow a supplemental~~  
90.3 ~~payment above a facility's operating payment rate as determined to be necessary by the~~  
90.4 ~~commissioner to maintain access to nursing facilities services in isolated areas identified~~  
90.5 ~~in paragraph (b). The commissioner must approve the amounts of supplemental payments~~  
90.6 ~~through a memorandum of understanding. Supplemental payments to facilities under this~~

78.17 township and county for fire, police, sanitation services, and road maintenance costs had  
78.18 real estate taxes been levied on that property for those purposes.

78.19 (j) The portion related to employer health insurance costs is the allowable costs divided  
78.20 by the sum of the facility's resident days.

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

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

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

78.27 (n) The portion related to special dietary needs is the amount determined under section  
78.28 256R.51.

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

78.31 (p) The portion related to the rate adjustment for critical access nursing facilities is the  
78.32 amount determined under section 256R.47.

79.1 Sec. 9. Minnesota Statutes 2022, section 256R.47, is amended to read:

79.2 **256R.47 RATE ADJUSTMENT FOR CRITICAL ACCESS NURSING**  
79.3 **FACILITIES.**

79.4 (a) The commissioner, in consultation with the commissioner of health, may designate  
79.5 certain nursing facilities as critical access nursing facilities. The designation shall be granted  
79.6 on a competitive basis, within the limits of funds appropriated for this purpose.

79.7 (b) The commissioner shall request proposals from nursing facilities every two years.  
79.8 Proposals must be submitted in the form and according to the timelines established by the  
79.9 commissioner. In selecting applicants to designate, the commissioner, in consultation with  
79.10 the commissioner of health, and with input from stakeholders, shall develop criteria designed  
79.11 to preserve access to nursing facility services in isolated areas, rebalance long-term care,  
79.12 and improve quality. To the extent practicable, the commissioner shall ensure an even  
79.13 distribution of designations across the state.

79.14 (c) ~~The commissioner shall allow the benefits in clauses (1) to (5) For nursing facilities~~  
79.15 ~~designated as critical access nursing facilities; the commissioner shall allow a supplemental~~  
79.16 ~~payment above a facility's operating payment rate as determined to be necessary by the~~  
79.17 ~~commissioner to maintain access to nursing facility services in isolated areas identified in~~  
79.18 ~~paragraph (b). The commissioner must approve the amounts of supplemental payments~~  
79.19 ~~through a memorandum of understanding. Supplemental payments to facilities under this~~



90.7 section must be in the form of time-limited rate adjustments included in the external fixed  
90.8 payment rate under section 256R.25.

90.9 (1) ~~partial rebasing, with the commissioner allowing a designated facility operating~~  
90.10 ~~payment rates being the sum of up to 60 percent of the operating payment rate determined~~  
90.11 ~~in accordance with section 256R.21, subdivision 3, and at least 40 percent, with the sum of~~  
90.12 ~~the two portions being equal to 100 percent, of the operating payment rate that would have~~  
90.13 ~~been allowed had the facility not been designated. The commissioner may adjust these~~  
90.14 ~~percentages by up to 20 percent and may approve a request for less than the amount allowed;~~

90.15 (2) ~~enhanced payments for leave days. Notwithstanding section 256R.43, upon~~  
90.16 ~~designation as a critical access nursing facility, the commissioner shall limit payment for~~  
90.17 ~~leave days to 60 percent of that nursing facility's total payment rate for the involved resident,~~  
90.18 ~~and shall allow this payment only when the occupancy of the nursing facility, inclusive of~~  
90.19 ~~bed hold days, is equal to or greater than 90 percent;~~

90.20 (3) ~~two designated critical access nursing facilities, with up to 100 beds in active service,~~  
90.21 ~~may jointly apply to the commissioner of health for a waiver of Minnesota Rules, part~~  
90.22 ~~4658.0500, subpart 2, in order to jointly employ a director of nursing. The commissioner~~  
90.23 ~~of health shall consider each waiver request independently based on the criteria under~~  
90.24 ~~Minnesota Rules, part 4658.0040;~~

90.25 (4) ~~the minimum threshold under section 256B.431, subdivision 15, paragraph (c), shall~~  
90.26 ~~be 40 percent of the amount that would otherwise apply; and~~

90.27 (5) ~~the quality-based rate limits under section 256R.23, subdivisions 5 to 7, apply to~~  
90.28 ~~designated critical access nursing facilities.~~

90.29 (d) Designation of a critical access nursing facility is for a maximum period of up to  
90.30 two years, after which the ~~benefits~~ benefit allowed under paragraph (c) shall be removed.  
90.31 Designated facilities may apply for continued designation.

90.32 (e) ~~This section is suspended and no state or federal funding shall be appropriated or~~  
90.33 ~~allocated for the purposes of this section from January 1, 2016, to December 31, 2019.~~

91.1 (e) The memorandum of understanding required by paragraph (c) must state that the  
91.2 designation of a critical access nursing facility must be removed if the facility undergoes a  
91.3 change of ownership as defined in section 144A.06, subdivision 2.

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

91.5 Sec. 14. Minnesota Statutes 2022, section 256R.481, is amended to read:

91.6 **256R.481 FACILITY-SPECIFIC RATE ADJUSTMENTS FOR BORDER CITY**  
91.7 **FACILITIES MODIFICATIONS.**

91.8 Subdivision 1. **Border city facilities.** (a) The commissioner shall allow each nonprofit  
91.9 nursing facility located within the boundaries of the city of Breckenridge or Moorhead prior

79.20 section must be in the form of time-limited rate adjustments included in the external fixed  
79.21 costs payment rate under section 256R.25.

79.22 (1) ~~partial rebasing, with the commissioner allowing a designated facility operating~~  
79.23 ~~payment rates being the sum of up to 60 percent of the operating payment rate determined~~  
79.24 ~~in accordance with section 256R.21, subdivision 3, and at least 40 percent, with the sum of~~  
79.25 ~~the two portions being equal to 100 percent, of the operating payment rate that would have~~  
79.26 ~~been allowed had the facility not been designated. The commissioner may adjust these~~  
79.27 ~~percentages by up to 20 percent and may approve a request for less than the amount allowed;~~

79.28 (2) ~~enhanced payments for leave days. Notwithstanding section 256R.43, upon~~  
79.29 ~~designation as a critical access nursing facility, the commissioner shall limit payment for~~  
79.30 ~~leave days to 60 percent of that nursing facility's total payment rate for the involved resident,~~  
79.31 ~~and shall allow this payment only when the occupancy of the nursing facility, inclusive of~~  
79.32 ~~bed hold days, is equal to or greater than 90 percent;~~

79.33 (3) ~~two designated critical access nursing facilities, with up to 100 beds in active service,~~  
79.34 ~~may jointly apply to the commissioner of health for a waiver of Minnesota Rules, part~~  
80.1 ~~4658.0500, subpart 2, in order to jointly employ a director of nursing. The commissioner~~  
80.2 ~~of health shall consider each waiver request independently based on the criteria under~~  
80.3 ~~Minnesota Rules, part 4658.0040;~~

80.4 (4) ~~the minimum threshold under section 256B.431, subdivision 15, paragraph (c), shall~~  
80.5 ~~be 40 percent of the amount that would otherwise apply; and~~

80.6 (5) ~~the quality-based rate limits under section 256R.23, subdivisions 5 to 7, apply to~~  
80.7 ~~designated critical access nursing facilities.~~

80.8 (d) Designation of a critical access nursing facility is for a maximum period of up to  
80.9 two years, after which the ~~benefits~~ benefit allowed under paragraph (c) shall be removed.  
80.10 Designated facilities may apply for continued designation.

80.11 (e) ~~This section is suspended and no state or federal funding shall be appropriated or~~  
80.12 ~~allocated for the purposes of this section from January 1, 2016, to December 31, 2019.~~

80.13 (e) The memorandum of understanding required by paragraph (c) must state that the  
80.14 designation of a critical access nursing facility must be removed if the facility undergoes a  
80.15 change of ownership as defined in section 144A.06, subdivision 2.

91.10 to January 1, 2015, to apply once annually for a rate add-on to the facility's external fixed  
 91.11 costs payment rate.

91.12 (b) A facility seeking an add-on to its external fixed costs payment rate under this section  
 91.13 must apply annually to the commissioner to receive the add-on. A facility must submit the  
 91.14 application within 60 calendar days of the effective date of any add-on under this section.  
 91.15 The commissioner may waive the deadlines required by this paragraph under extraordinary  
 91.16 circumstances.

91.17 (c) The commissioner shall provide the add-on to each eligible facility that applies by  
 91.18 the application deadline.

91.19 (d) The add-on to the external fixed costs payment rate is the difference on January 1  
 91.20 of the median total payment rate for case mix classification PA1 of the nonprofit facilities  
 91.21 located in an adjacent city in another state and in cities contiguous to the adjacent city minus  
 91.22 the eligible nursing facility's total payment rate for case mix classification PA1 as determined  
 91.23 under section 256R.22, subdivision 4.

91.24 Subd. 2. **Nursing facility in Chisholm; temporary rate add-on.** Effective July 1, 2023,  
 91.25 through December 31, 2027, the commissioner shall provide an external fixed rate add-on  
 91.26 for the nursing facility in the city of Chisholm in the amount of \$11.81. If this nursing  
 91.27 facility completes a moratorium exception project that is approved after March 27, 2023,  
 91.28 this subdivision expires the day before the effective date of that moratorium rate adjustment  
 91.29 or December 31, 2027, whichever is earlier. The commissioner of human services shall  
 91.30 notify the revisor of statutes if this subdivision expires prior to December 31, 2027.

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

92.1 Sec. 15. Minnesota Statutes 2022, section 256R.53, is amended by adding a subdivision  
 92.2 to read:

92.3 Subd. 3. **Nursing facility in Fergus Falls.** Notwithstanding sections 256B.431, 256B.434,  
 92.4 and 256R.26, subdivision 9, a nursing facility located in the city of Fergus Falls licensed  
 92.5 for 105 beds on September 1, 2021, must have the property portion of its total payment rate  
 92.6 determined according to sections 256R.26 to 256R.267.

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

92.8 Sec. 16. Minnesota Statutes 2022, section 256R.53, is amended by adding a subdivision  
 92.9 to read:

92.10 Subd. 4. **Nursing facility in Red Wing.** The operating payment rate for a facility located  
 92.11 in the city of Red Wing at 1412 West 4th Street is the sum of its direct care costs per  
 92.12 standardized day, its other care-related costs per resident day, and its other operating costs  
 92.13 per day.

80.16 Sec. 10. Minnesota Statutes 2022, section 256R.53, is amended by adding a subdivision  
 80.17 to read:

80.18 Subd. 3. **Nursing facility in Red Wing.** (a) The operating payment rate for a facility  
 80.19 located in the city of Red Wing at 1412 West 4th Street is the sum of its direct care costs  
 80.20 per standardized day, its other care-related costs per resident day, and its other operating  
 80.21 costs per day.

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

92.15 Sec. 17. Minnesota Statutes 2022, section 256S.15, subdivision 2, is amended to read:

92.16 Subd. 2. **Foster care limit.** The elderly waiver payment for the foster care service in  
 92.17 combination with the payment for all other elderly waiver services, including case  
 92.18 management, must not exceed the monthly case mix budget cap for the participant as  
 92.19 specified in sections 256S.18, subdivision 3, and 256S.19, subdivisions subdivision 3 and  
 92.20 4.

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

92.22 Sec. 18. Minnesota Statutes 2022, section 256S.18, is amended by adding a subdivision  
 92.23 to read:

92.24 Subd. 3a. **Monthly case mix budget caps for consumer-directed community**  
 92.25 **supports.** The monthly case mix budget caps for each case mix classification for  
 92.26 consumer-directed community supports must be equal to the monthly case mix budget caps  
 92.27 in subdivision 3.

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

93.1 Sec. 19. Minnesota Statutes 2022, section 256S.19, subdivision 3, is amended to read:

93.2 Subd. 3. **Calculation of monthly conversion budget cap without consumer-directed**  
 93.3 **community supports caps.** (a) The elderly waiver monthly conversion budget cap for the  
 93.4 cost of elderly waiver services without consumer-directed community supports must be  
 93.5 based on the nursing facility case mix adjusted total payment rate of the nursing facility  
 93.6 where the elderly waiver applicant currently resides for the applicant's case mix classification  
 93.7 as determined according to section 256R.17.

93.8 (b) The elderly waiver monthly conversion budget cap for the cost of elderly waiver  
 93.9 services without consumer-directed community supports shall must be calculated by  
 93.10 multiplying the applicable nursing facility case mix adjusted total payment rate by 365,  
 93.11 dividing by 12, and subtracting the participant's maintenance needs allowance.

93.12 (c) A participant's initially approved monthly conversion budget cap for elderly waiver  
 93.13 services without consumer-directed community supports shall must be adjusted at least  
 93.14 annually as described in section 256S.18, subdivision 5.

93.15 (d) Conversion budget caps for individuals participating in consumer-directed community  
 93.16 supports must be set as described in paragraphs (a) to (c).

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

80.22 (b) This subdivision expires June 30, 2025.

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

93.18 Sec. 20. Minnesota Statutes 2022, section 256S.203, subdivision 1, is amended to read:

93.19 Subdivision 1. **Capitation payments.** The commissioner must adjust the elderly waiver  
93.20 capitation payment rates for managed care organizations paid to reflect the monthly service  
93.21 rate limits for customized living services and 24-hour customized living services established  
93.22 under section 256S.202 ~~and~~, the rate adjustments for disproportionate share facilities under  
93.23 section 256S.205, and the assisted living facility closure payments under section 256S.206.

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

93.27 Sec. 21. Minnesota Statutes 2022, section 256S.203, subdivision 2, is amended to read:

93.28 Subd. 2. **Reimbursement rates.** Medical assistance rates paid to customized living  
93.29 providers by managed care organizations under this chapter must not exceed the monthly  
93.30 service rate limits and component rates as determined by the commissioner under sections  
93.31 256S.15 and 256S.20 to 256S.202, plus any rate adjustment or special payment under section  
93.32 256S.205 or 256S.206.

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

94.4 Sec. 22. Minnesota Statutes 2022, section 256S.205, subdivision 3, is amended to read:

94.5 Subd. 3. **Rate adjustment eligibility criteria.** Only facilities satisfying all of the  
94.6 following conditions on September 1 of the application year are eligible for designation as  
94.7 a disproportionate share facility:

94.8 (1) at least ~~83.5~~ 80 percent of the residents of the facility are customized living residents;  
94.9 and

94.10 (2) at least ~~70~~ 50 percent of the customized living residents are elderly waiver participants.

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

94.14 Sec. 23. Minnesota Statutes 2022, section 256S.205, subdivision 5, is amended to read:

94.15 Subd. 5. **Rate adjustment; rate floor.** (a) Notwithstanding the 24-hour customized  
94.16 living monthly service rate limits under section 256S.202, subdivision 2, and the component  
94.17 service rates established under section 256S.201, subdivision 4, the commissioner must  
94.18 establish a rate floor equal to ~~\$119~~ \$139 per resident per day for 24-hour customized living  
94.19 services provided to an elderly waiver participant in a designated disproportionate share  
94.20 facility.

- 94.21 (b) The commissioner must apply the rate floor to the services described in paragraph  
94.22 (a) provided during the rate year.
- 94.23 (c) The commissioner must adjust the rate floor by the same amount and at the same  
94.24 time as any adjustment to the 24-hour customized living monthly service rate limits under  
94.25 section 256S.202, subdivision 2.
- 94.26 (d) The commissioner shall not implement the rate floor under this section if the  
94.27 customized living rates established under sections 256S.21 to 256S.215 will be implemented  
94.28 at 100 percent on January 1 of the year following an application year.
- 94.29 **EFFECTIVE DATE.** This section is effective July 1, 2023, or upon federal approval,  
94.30 whichever is later. The commissioner of human services shall notify the revisor of statutes  
94.31 when federal approval is obtained.
- 95.1 Sec. 24. **[256S.206] ASSISTED LIVING FACILITY CLOSURE PAYMENTS.**
- 95.2 Subdivision 1. **Assisted living facility closure payments provided.** The commissioner  
95.3 of human services shall establish a special payment program to support licensed assisted  
95.4 living facilities who serve waiver participants under section 256B.49 and chapter 256S  
95.5 when the assisted living facility is acting to close the facility as outlined in section 144G.57.  
95.6 The payments must support the facility to meet the health and safety needs of residents  
95.7 during facility occupancy and revenue decline.
- 95.8 Subd. 2. **Definitions.** (a) For the purposes of this section, the terms in this subdivision  
95.9 have the meanings given.
- 95.10 (b) "Closure period" means the number of days in the approved closure plan for the  
95.11 eligible facility as determined by the commissioner of health under section 144G.57, not to  
95.12 exceed 60 calendar days.
- 95.13 (c) "Eligible claim" means a claim for customized living services and 24-hour customized  
95.14 living services provided to waiver participants under section 256B.49 and chapter 256S  
95.15 during the eligible facility's closure period.
- 95.16 (d) "Eligible facility" means a licensed assisted living facility that has an approved  
95.17 closure plan, as determined by the commissioner of health under section 144G.57, that is  
95.18 acting to close the facility and no longer serve residents in that setting. A facility where a  
95.19 provider is relinquishing an assisted living facility license to transition to a different license  
95.20 type is not an eligible facility.
- 95.21 Subd. 3. **Application.** (a) An eligible facility may apply to the commissioner of human  
95.22 services for assisted living closure transition payments in the manner prescribed by the  
95.23 commissioner.

95.24 (b) The commissioner shall notify the facility within 14 calendars days of the facility's  
95.25 application about the result of the application, including whether the facility meets the  
95.26 definition of an eligible facility.

95.27 Subd. 4. **Issuing closure payments.** (a) The commissioner must increase the payment  
95.28 for eligible claims by 50 percent during the eligible facility's closure period.

95.29 (b) The commissioner must direct managed care organizations to increase the payment  
95.30 for eligible claims by 50 percent during the eligible facility's closure period for eligible  
95.31 claims submitted to managed care organizations.

95.32 Subd. 5. **Interagency coordination.** The commissioner of human services must  
95.33 coordinate the activities under this section with any impacted state agencies and lead agencies.

96.1 **EFFECTIVE DATE.** This section is effective July 1, 2024, or upon federal approval,  
96.2 whichever is later. The commissioner of human services shall notify the revisor of statutes  
96.3 when federal approval is obtained.

96.4 Sec. 25. Minnesota Statutes 2022, section 256S.21, is amended to read:

96.5 **256S.21 RATE SETTING; APPLICATION; EVALUATION.**

96.6 Subdivision 1. **Application of rate setting.** The payment rate methodologies in sections  
96.7 256S.2101 to 256S.215 apply to:

96.8 (1) elderly waiver, elderly waiver customized living, and elderly waiver foster care under  
96.9 this chapter;

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

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

96.12 (4) community access for disability inclusion customized living and brain injury  
96.13 customized living under section 256B.49.

96.14 Subd. 2. **Evaluation of rate setting.** (a) Beginning January 1, 2024, and every two years  
96.15 thereafter, the commissioner, in consultation with stakeholders, shall use all available data  
96.16 and resources to evaluate the following rate setting elements:

96.17 (1) the base wage index;

96.18 (2) the factors and supervision wage components; and

96.19 (3) the formulas to calculate adjusted base wages and rates.

96.20 (b) Beginning January 15, 2026, and every two years thereafter, the commissioner shall  
96.21 report to the chairs and ranking minority members of the legislative committees and divisions  
96.22 with jurisdiction over health and human services finance and policy with a full report on  
96.23 the information and data gathered under paragraph (a).

96.24 Subd. 3. **Cost reporting.** (a) As determined by the commissioner, in consultation with  
96.25 stakeholders, a provider enrolled to provide services with rates determined under this chapter  
96.26 must submit requested cost data to the commissioner to support evaluation of the rate  
96.27 methodologies in this chapter. Requested cost data may include but are not limited to:

96.28 (1) worker wage costs;  
96.29 (2) benefits paid;  
96.30 (3) supervisor wage costs;  
97.1 (4) executive wage costs;  
97.2 (5) vacation, sick, and training time paid;  
97.3 (6) taxes, workers' compensation, and unemployment insurance costs paid;  
97.4 (7) administrative costs paid;  
97.5 (8) program costs paid;  
97.6 (9) transportation costs paid;  
97.7 (10) vacancy rates; and  
97.8 (11) other data relating to costs required to provide services requested by the  
97.9 commissioner.

97.10 (b) At least once in any five-year period, a provider must submit cost data for a fiscal  
97.11 year that ended not more than 18 months prior to the submission date. The commissioner  
97.12 shall provide each provider a 90-day notice prior to the provider's submission due date. If  
97.13 by 30 days after the required submission date a provider fails to submit required reporting  
97.14 data, the commissioner shall provide notice to the provider, and if by 60 days after the  
97.15 required submission date a provider has not provided the required data, the commissioner  
97.16 shall provide a second notice. The commissioner shall temporarily suspend payments to the  
97.17 provider if cost data is not received 90 days after the required submission date. Withheld  
97.18 payments must be made once data is received by the commissioner.

97.19 (c) The commissioner shall coordinate the cost reporting activities required under this  
97.20 section with the cost reporting activities directed under section 256B.4914, subdivision 10a.

97.21 (d) The commissioner shall analyze cost documentation in paragraph (a) and, in  
97.22 consultation with stakeholders, may submit recommendations on rate methodologies in this  
97.23 chapter, including ways to monitor and enforce the spending requirements directed in section  
97.24 256S.2101, subdivision 3, through the reports directed by subdivision 2.

97.25 **EFFECTIVE DATE.** Subdivisions 1 and 2 are effective January 1, 2024. Subdivision  
97.26 3 is effective January 1, 2025.

97.27 Sec. 26. Minnesota Statutes 2022, section 256S.2101, subdivision 2, is amended to read:

97.28 Subd. 2. **Phase-in for elderly waiver rates.** Except for home-delivered meals as  
97.29 ~~described in section 256S.215, subdivision 15~~ and the services in subdivision 2a, all rates  
97.30 and rate components for elderly waiver, elderly waiver customized living, and elderly waiver  
98.1 foster care under this chapter; alternative care under section 256B.0913; and essential  
98.2 community supports under section 256B.0922 shall be:

98.3 (1) beginning January 1, 2024, the sum of ~~18.8~~ 27.8 percent of the rates calculated under  
98.4 sections 256S.211 to 256S.215, and ~~81.2~~ 72.2 percent of the rates calculated using the rate  
98.5 methodology in effect as of June 30, 2017. ~~The rate for home-delivered meals shall be the~~  
98.6 ~~sum of the service rate in effect as of January 1, 2019, and the increases described in section~~  
98.7 ~~256S.215, subdivision 15; and~~

98.8 (2) beginning January 1, 2026, the sum of 25 percent of the rates calculated under sections  
98.9 256S.211 to 256S.215, and 75 percent of the rates calculated using the rate methodology  
98.10 in effect as of June 30, 2017.

98.11 Sec. 27. Minnesota Statutes 2022, section 256S.2101, is amended by adding a subdivision  
98.12 to read:

98.13 Subd. 2a. **Service rates exempt from phase-in.** Subdivision 2 does not apply to rates  
98.14 for homemaker services described in section 256S.215, subdivisions 9 to 11.

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

98.16 Sec. 28. Minnesota Statutes 2022, section 256S.2101, is amended by adding a subdivision  
98.17 to read:

98.18 Subd. 3. **Spending requirements.** (a) Except for community access for disability  
98.19 inclusion customized living and brain injury customized living under section 256B.49, at  
98.20 least 80 percent of the marginal increase in revenue from the implementation of any  
98.21 adjustments to the phase-in in subdivision 2, or any updates to services rates directed under  
98.22 section 256S.211, subdivision 3, must be used to increase compensation-related costs for  
98.23 employees directly employed by the provider.

98.24 (b) For the purposes of this subdivision, compensation-related costs include:

98.25 (1) wages and salaries;

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

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



99.1 (4) benefits that address direct support professional workforce needs above and beyond  
 99.2 what employees were offered prior to the implementation of the adjusted phase-in in  
 99.3 subdivision 2, including any concurrent or subsequent adjustments to the base wage indices.

99.4 (c) Compensation-related costs for persons employed in the central office of a corporation  
 99.5 or entity that has an ownership interest in the provider or exercises control over the provider,  
 99.6 or for persons paid by the provider under a management contract, do not count toward the  
 99.7 80 percent requirement under this subdivision.

99.8 (d) A provider agency or individual provider that receives additional revenue subject to  
 99.9 the requirements of this subdivision shall prepare, and upon request submit to the  
 99.10 commissioner, a distribution plan that specifies the amount of money the provider expects  
 99.11 to receive that is subject to the requirements of this subdivision, including how that money  
 99.12 was or will be distributed to increase compensation-related costs for employees. Within 60  
 99.13 days of final implementation of the new phase-in proportion or adjustment to the base wage  
 99.14 indices subject to the requirements of this subdivision, the provider must post the distribution  
 99.15 plan and leave it posted for a period of at least six months in an area of the provider's  
 99.16 operation to which all direct support professionals have access. The posted distribution plan  
 99.17 must include instructions regarding how to contact the commissioner, or the commissioner's  
 99.18 representative, if an employee has not received the compensation-related increase described  
 99.19 in the plan.

80.24 Sec. 11. Minnesota Statutes 2022, section 256S.211, is amended to read:

80.25 **256S.211 RATE SETTING; RATE ESTABLISHMENT UPDATING RATES;**  
 80.26 **EVALUATION; COST REPORTING.**

80.27 Subdivision 1. **Establishing base wages.** When establishing the base wages according  
 80.28 to section 256S.212, the commissioner shall use standard occupational classification (SOC)  
 80.29 codes from the Bureau of Labor Statistics as defined in the edition of the Occupational  
 80.30 Handbook published immediately prior to January 1, 2019, using Minnesota-specific wages  
 80.31 taken from job descriptions.

81.1 Subd. 2. **Establishing Updating rates.** By January 1 of each year, The commissioner  
 81.2 shall ~~establish factors;~~ update component rates; and rates effective January 1, 2024, according  
 81.3 to sections ~~256S.213 and~~ 256S.212 to 256S.215, using the factor and base wages ~~established~~  
 81.4 ~~according to section 256S.212~~ values the commissioner used to establish rates effective  
 81.5 January 1, 2019.

81.6 Subd. 3. **Spending requirements.** (a) Except for community access for disability  
 81.7 inclusion customized living and brain injury customized living under section 256B.49, at  
 81.8 least 80 percent of the marginal increase in revenue from the implementation of any rate  
 81.9 adjustments under this section must be used to increase compensation-related costs for  
 81.10 employees directly employed by the provider.

- 81.11 (b) For the purposes of this subdivision, compensation-related costs include:
- 81.12 (1) wages and salaries;
- 81.13 (2) the employer's share of FICA taxes, Medicare taxes, state and federal unemployment
- 81.14 taxes, workers' compensation, and mileage reimbursement;
- 81.15 (3) the employer's paid share of health and dental insurance, life insurance, disability
- 81.16 insurance, long-term care insurance, uniform allowance, pensions, and contributions to
- 81.17 employee retirement accounts; and
- 81.18 (4) benefits that address direct support professional workforce needs above and beyond
- 81.19 what employees were offered prior to the implementation of any rate adjustments under
- 81.20 this section, including any concurrent or subsequent adjustments to the base wage indices.
- 81.21 (c) Compensation-related costs for persons employed in the central office of a corporation
- 81.22 or entity that has an ownership interest in the provider or exercises control over the provider,
- 81.23 or for persons paid by the provider under a management contract, do not count toward the
- 81.24 80 percent requirement under this subdivision.
- 81.25 (d) A provider agency or individual provider that receives additional revenue subject to
- 81.26 the requirements of this subdivision shall prepare, and upon request submit to the
- 81.27 commissioner, a distribution plan that specifies the amount of money the provider expects
- 81.28 to receive that is subject to the requirements of this subdivision, including how that money
- 81.29 was or will be distributed to increase compensation-related costs for employees. Within 60
- 81.30 days of final implementation of the new phase-in proportion or adjustment to the base wage
- 81.31 indices subject to the requirements of this subdivision, the provider must post the distribution
- 81.32 plan and leave it posted for a period of at least six months in an area of the provider's
- 81.33 operation to which all employees have access. The posted distribution plan must include
- 82.1 instructions regarding how to contact the commissioner, or the commissioner's representative,
- 82.2 if an employee has not received the compensation-related increase described in the plan.
- 82.3 Subd. 4. **Evaluation of rate setting.** (a) Beginning January 1, 2024, and every two years
- 82.4 thereafter, the commissioner, in consultation with stakeholders, shall use all available data
- 82.5 and resources to evaluate the following rate setting elements:
- 82.6 (1) the base wage index;
- 82.7 (2) the factors and supervision wage components; and
- 82.8 (3) the formulas to calculate adjusted base wages and rates.
- 82.9 (b) Beginning January 15, 2026, and every two years thereafter, the commissioner shall
- 82.10 report to the chairs and ranking minority members of the legislative committees and divisions
- 82.11 with jurisdiction over health and human services finance and policy with a full report on
- 82.12 the information and data gathered under paragraph (a).

82.13 Subd. 5. **Cost reporting.** (a) As determined by the commissioner, in consultation with  
82.14 stakeholders, a provider enrolled to provide services with rates determined under this chapter  
82.15 must submit requested cost data to the commissioner to support evaluation of the rate  
82.16 methodologies in this chapter. Requested cost data may include but is not limited to:

82.17 (1) worker wage costs;

82.18 (2) benefits paid;

82.19 (3) supervisor wage costs;

82.20 (4) executive wage costs;

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

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

82.23 (7) administrative costs paid;

82.24 (8) program costs paid;

82.25 (9) transportation costs paid;

82.26 (10) vacancy rates; and

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

82.29 (b) At least once in any five-year period, a provider must submit cost data for a fiscal  
82.30 year that ended not more than 18 months prior to the submission date. The commissioner  
83.1 shall provide each provider a 90-day notice prior to the provider's submission due date. If  
83.2 by 30 days after the required submission date a provider fails to submit required reporting  
83.3 data, the commissioner shall provide notice to the provider, and if by 60 days after the  
83.4 required submission date a provider has not provided the required data the commissioner  
83.5 shall provide a second notice. The commissioner shall temporarily suspend payments to the  
83.6 provider if cost data are not received 90 days after the required submission date. Withheld  
83.7 payments must be made once data is received by the commissioner.

83.8 (c) The commissioner shall coordinate the cost reporting activities required under this  
83.9 section with the cost reporting activities directed under section 256B.4914, subdivision 10a.

83.10 (d) The commissioner shall analyze cost documentation in paragraph (a) and, in  
83.11 consultation with stakeholders, may submit recommendations on rate methodologies in this  
83.12 chapter, including ways to monitor and enforce the spending requirements directed in  
83.13 subdivision 3, through the reports directed by subdivision 4.

83.14 **EFFECTIVE DATE.** Subdivisions 2 to 4 are effective January 1, 2024, or upon federal  
83.15 approval, whichever is later. The commissioner of human services shall notify the revisor  
83.16 of statutes when federal approval is obtained. Subdivision 5 is effective January 1, 2025.

99.20 Sec. 29. Minnesota Statutes 2022, section 256S.211, is amended by adding a subdivision  
 99.21 to read:

99.22 Subd. 3. **Updating services rates.** On January 1, 2024, and every two years thereafter,  
 99.23 the commissioner shall recalculate rates for services as directed in section 256S.215. Prior  
 99.24 to recalculating the rates, the commissioner shall:

99.25 (1) update the base wage index for services in section 256S.212 based on the most  
 99.26 recently available Bureau of Labor Statistics Minneapolis-St. Paul-Bloomington, MN-WI  
 99.27 MetroSA data;

99.28 (2) update the payroll taxes and benefits factor in section 256S.213, subdivision 1, based  
 99.29 on the most recently available nursing facility cost report data;

99.30 (3) update the supervision wage components in section 256S.213, subdivisions 4 and 5,  
 99.31 based on the most recently available Bureau of Labor Statistics Minneapolis-St.  
 99.32 Paul-Bloomington, MN-WI MetroSA data; and

99.33 (4) update the adjusted base wage for services as directed in section 256S.214.

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

100.2 Sec. 30. Minnesota Statutes 2022, section 256S.211, is amended by adding a subdivision  
 100.3 to read:

100.4 Subd. 4. **Updating home-delivered meals rate.** On January 1 of each year, the  
 100.5 commissioner shall update the home-delivered meals rate in section 256S.215, subdivision  
 100.6 15, by the percent increase in the nursing facility dietary per diem using the two most recently  
 100.7 available nursing facility cost reports.

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

100.9 Sec. 31. Minnesota Statutes 2022, section 256S.212, is amended to read:

100.10 **256S.212 RATE SETTING; BASE WAGE INDEX.**

100.11 Subdivision 1. **Updating SOC codes.** If any of the SOC codes and positions used in  
 100.12 this section are no longer available, the commissioner shall, in consultation with stakeholders,  
 100.13 select a new SOC code and position that is the closest match to the previously used SOC  
 100.14 position.

100.15 Subd. 2. **Home management and support services base wage.** For customized living,  
 100.16 and foster care, and residential care component services, the home management and support  
 100.17 services base wage equals 33.33 percent of the Minneapolis-St. Paul-Bloomington, MN-WI  
 100.18 MetroSA average wage for home health and personal and home care aide (SOC code ~~39-9021~~  
 100.19 31-1120); 33.33 percent of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average  
 100.20 wage for food preparation workers (SOC code 35-2021); and 33.34 percent of the  
 100.21 Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for maids and  
 100.22 housekeeping cleaners (SOC code 37-2012).

100.23 Subd. 3. **Home care aide base wage.** For customized living, and foster care, and  
 100.24 residential care component services, the home care aide base wage equals ~~50~~ 75 percent of  
 100.25 the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for home health  
 100.26 and personal care aides (SOC code ~~31-1014~~ 31-1120); and ~~50~~ 25 percent of the  
 100.27 Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for nursing assistants  
 100.28 (SOC code ~~31-1014~~ 31-1131).

100.29 Subd. 4. **Home health aide base wage.** For customized living, and foster care, and  
 100.30 residential care component services, the home health aide base wage equals ~~20~~ 33.33 percent  
 100.31 of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for licensed  
 100.32 practical and licensed vocational nurses (SOC code 29-2061); and ~~80~~ 33.33 percent of the  
 101.1 Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for nursing assistants  
 101.2 (SOC code ~~31-1014~~ 31-1131); and 33.34 percent of the Minneapolis-St. Paul-Bloomington,  
 101.3 MN-WI MetroSA average wage for home health and personal care aides (SOC code  
 101.4 31-1120).

101.5 Subd. 5. **Medication setups by licensed nurse base wage.** For customized living, and  
 101.6 foster care, and residential care component services, the medication setups by licensed nurse  
 101.7 base wage equals ~~ten~~ 25 percent of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA  
 101.8 average wage for licensed practical and licensed vocational nurses (SOC code 29-2061);  
 101.9 and ~~90~~ 75 percent of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average  
 101.10 wage for registered nurses (SOC code 29-1141).

101.11 Subd. 6. **Chore services base wage.** The chore services base wage equals ~~100~~ 50 percent  
 101.12 of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for landscaping  
 101.13 and groundskeeping workers (SOC code 37-3011); and 50 percent of the Minneapolis-St.  
 101.14 Paul-Bloomington, MN-WI MetroSA average wage for maids and housekeeping cleaners  
 101.15 (SOC code 37-2012).

101.16 Subd. 7. **Companion services base wage.** The companion services base wage equals  
 101.17 ~~50~~ 80 percent of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage  
 101.18 for home health and personal and home care aides (SOC code ~~39-9021~~ 31-1120); and ~~50~~  
 101.19 20 percent of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for  
 101.20 maids and housekeeping cleaners (SOC code 37-2012).

101.21 Subd. 8. **Homemaker services and assistance with personal care base wage.** The  
 101.22 homemaker services and assistance with personal care base wage equals ~~60~~ 50 percent of  
 101.23 the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for home health  
 101.24 and personal and home care aide aides (SOC code ~~39-9021~~ 31-1120); ~~20~~ and 50 percent of  
 101.25 the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for nursing assistants  
 101.26 (SOC code ~~31-1014~~ 31-1131); and 20 percent of the Minneapolis-St. Paul-Bloomington,  
 101.27 MN-WI MetroSA average wage for maids and housekeeping cleaners (SOC code 37-2012).

101.28 Subd. 9. **Homemaker services and cleaning base wage.** The homemaker services and  
 101.29 cleaning base wage equals ~~60~~ percent of the Minneapolis-St. Paul-Bloomington, MN-WI  
 101.30 MetroSA average wage for personal and home care aide (SOC code 39-9021); 20 percent

101.31 ~~of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for nursing~~  
 101.32 ~~assistants (SOC code 31-1014); and 20~~ 100 percent of the Minneapolis-St. Paul-Bloomington,  
 101.33 MN-WI MetroSA average wage for maids and housekeeping cleaners (SOC code 37-2012).

102.1 Subd. 10. **Homemaker services and home management base wage.** The homemaker  
 102.2 ~~services and~~ home management base wage equals ~~60~~ 50 percent of the Minneapolis-St.  
 102.3 Paul-Bloomington, MN-WI MetroSA average wage for home health and personal ~~and home~~  
 102.4 ~~care aide aides~~ (SOC code ~~39-9021~~ 31-1120); ~~20~~ and 50 percent of the Minneapolis-St.  
 102.5 Paul-Bloomington, MN-WI MetroSA average wage for nursing assistants (SOC code  
 102.6 ~~31-1014~~ 31-1131); and ~~20~~ percent of the Minneapolis-St. Paul-Bloomington, MN-WI  
 102.7 MetroSA average wage for maids and housekeeping cleaners (SOC code 37-2012).

102.8 Subd. 11. **In-home respite care services base wage.** The in-home respite care services  
 102.9 base wage equals ~~five~~ 15 percent of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA  
 102.10 average wage for registered nurses (SOC code 29-1141); 75 percent of the Minneapolis-St.  
 102.11 Paul-Bloomington, MN-WI MetroSA average wage for ~~nursing assistants~~ home health and  
 102.12 ~~personal care aides~~ (SOC code ~~31-1014~~ 31-1120); and ~~20~~ ten percent of the Minneapolis-St.  
 102.13 Paul-Bloomington, MN-WI MetroSA average wage for licensed practical and licensed  
 102.14 vocational nurses (SOC code 29-2061).

102.15 Subd. 12. **Out-of-home respite care services base wage.** The out-of-home respite care  
 102.16 services base wage equals ~~five~~ 15 percent of the Minneapolis-St. Paul-Bloomington, MN-WI  
 102.17 MetroSA average wage for registered nurses (SOC code 29-1141); 75 percent of the  
 102.18 Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for ~~nursing assistants~~  
 102.19 ~~home health and personal care aides~~ (SOC code ~~31-1014~~ 31-1120); and ~~20~~ ten percent of  
 102.20 the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for licensed practical  
 102.21 and licensed vocational nurses (SOC code 29-2061).

102.22 Subd. 13. **Individual community living support base wage.** The individual community  
 102.23 living support base wage equals ~~20~~ 60 percent of the Minneapolis-St. Paul-Bloomington,  
 102.24 MN-WI MetroSA average wage for ~~licensed practical and licensed vocational nurses social~~  
 102.25 ~~and human services assistants~~ (SOC code ~~29-2061~~ 21-1093); and ~~80~~ 40 percent of the  
 102.26 Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for nursing assistants  
 102.27 (SOC code ~~31-1014~~ 31-1131).

102.28 Subd. 14. **Registered nurse base wage.** The registered nurse base wage equals 100  
 102.29 percent of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for  
 102.30 registered nurses (SOC code 29-1141).

102.31 Subd. 15. **Social worker Unlicensed supervisor base wage.** The ~~social worker~~  
 102.32 ~~unlicensed supervisor~~ base wage equals 100 percent of the Minneapolis-St.  
 102.33 Paul-Bloomington, MN-WI MetroSA average wage for ~~medical and public health social~~  
 102.34 ~~first-line supervisors of personal service workers~~ (SOC code ~~21-1022~~ 39-1022).

103.1 Subd. 16. **Adult day services base wage.** The adult day services base wage equals 75  
 103.2 percent of the Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage for home

- 103.3 health and personal care aides (SOC code 31-1120); and 25 percent of the Minneapolis-St.  
 103.4 Paul-Bloomington, MN-WI MetroSA average wage for nursing assistants (SOC code  
 103.5 31-1131).
- 103.6 **EFFECTIVE DATE.** This section is effective January 1, 2024.
- 103.7 Sec. 32. Minnesota Statutes 2022, section 256S.213, is amended to read:
- 103.8 **256S.213 RATE SETTING; FACTORS.**
- 103.9 Subdivision 1. **Payroll taxes and benefits factor.** The payroll taxes and benefits factor  
 103.10 is the sum of net payroll taxes and benefits, divided by the sum of all salaries for all nursing  
 103.11 facilities on the most recent and available cost report.
- 103.12 Subd. 2. **General and administrative factor.** The general and administrative factor is  
 103.13 the difference of net general and administrative expenses and administrative salaries, divided  
 103.14 by total operating expenses for all nursing facilities on the most recent and available cost  
 103.15 report 14.4 percent.
- 103.16 Subd. 3. **Program plan support factor.** (a) The program plan support factor is ~~12.8~~ ten  
 103.17 percent for the following services to cover the cost of direct service staff needed to provide  
 103.18 support for home and community-based the service when not engaged in direct contact with  
 103.19 participants:
- 103.20 (1) adult day services;  
 103.21 (2) customized living; and  
 103.22 (3) foster care.
- 103.23 (b) The program plan support factor is 15.5 percent for the following services to cover  
 103.24 the cost of direct service staff needed to provide support for the service when not engaged  
 103.25 in direct contact with participants:
- 103.26 (1) chore services;  
 103.27 (2) companion services;  
 103.28 (3) homemaker assistance with personal care;  
 103.29 (4) homemaker cleaning;  
 103.30 (5) homemaker home management;  
 104.1 (6) in-home respite care;  
 104.2 (7) individual community living support; and  
 104.3 (8) out-of-home respite care.

104.4 Subd. 4. **Registered nurse management and supervision factor wage component.** The  
104.5 registered nurse management and supervision factor wage component equals 15 percent of  
104.6 the registered nurse adjusted base wage as defined in section 256S.214.

104.7 Subd. 5. **Social worker Unlicensed supervisor supervision factor wage**  
104.8 **component.** The social worker unlicensed supervisor supervision factor wage component  
104.9 equals 15 percent of the social worker unlicensed supervisor adjusted base wage as defined  
104.10 in section 256S.214.

104.11 Subd. 6. **Facility and equipment factor.** The facility and equipment factor for adult  
104.12 day services is 16.2 percent.

104.13 Subd. 7. **Food, supplies, and transportation factor.** The food, supplies, and  
104.14 transportation factor for adult day services is 24 percent.

104.15 Subd. 8. **Supplies and transportation factor.** The supplies and transportation factor  
104.16 for the following services is 1.56 percent:

104.17 (1) chore services;

104.18 (2) companion services;

104.19 (3) homemaker assistance with personal care;

104.20 (4) homemaker cleaning;

104.21 (5) homemaker home management;

104.22 (6) in-home respite care;

104.23 (7) individual community support services; and

104.24 (8) out-of-home respite care.

104.25 Subd. 9. **Absence factor.** The absence factor for the following services is 4.5 percent:

104.26 (1) adult day services;

104.27 (2) chore services;

104.28 (3) companion services;

104.29 (4) homemaker assistance with personal care;

105.1 (5) homemaker cleaning;

105.2 (6) homemaker home management;

105.3 (7) in-home respite care;

105.4 (8) individual community living support; and



105.5 (9) out-of-home respite care.

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

105.7 Sec. 33. Minnesota Statutes 2022, section 256S.214, is amended to read:

105.8 **256S.214 RATE SETTING; ADJUSTED BASE WAGE.**

105.9 For the purposes of section 256S.215, the adjusted base wage for each position equals  
105.10 the position's base wage under section 256S.212 plus:

105.11 (1) the position's base wage multiplied by the payroll taxes and benefits factor under  
105.12 section 256S.213, subdivision 1;

105.13 ~~(2) the position's base wage multiplied by the general and administrative factor under~~  
105.14 ~~section 256S.213, subdivision 2; and~~

105.15 ~~(2)~~ (2) the position's base wage multiplied by the applicable program plan support factor  
105.16 under section 256S.213, subdivision 3; and

105.17 (3) the position's base wage multiplied by the absence factor under section 256S.213,  
105.18 subdivision 9, if applicable.

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

105.20 Sec. 34. Minnesota Statutes 2022, section 256S.215, subdivision 2, is amended to read:

105.21 Subd. 2. **Home management and support services component rate.** The component  
105.22 rate for home management and support services is calculated as follows:

105.23 (1) sum the home management and support services adjusted base wage ~~plus~~ and the  
105.24 registered nurse management and supervision ~~factor~~ wage component;

105.25 (2) multiply the result of clause (1) by the general and administrative factor; and

105.26 (3) sum the results of clauses (1) and (2).

106.1 Sec. 35. Minnesota Statutes 2022, section 256S.215, subdivision 3, is amended to read:

106.2 Subd. 3. **Home care aide services component rate.** The component rate for home care  
106.3 aide services is calculated as follows:

106.4 (1) sum the home health aide services adjusted base wage ~~plus~~ and the registered nurse  
106.5 management and supervision ~~factor~~ wage component;

106.6 (2) multiply the result of clause (1) by the general and administrative factor; and

106.7 (3) sum the results of clauses (1) and (2).

83.17 Sec. 12. Minnesota Statutes 2022, section 256S.214, is amended to read:

83.18 **256S.214 RATE SETTING; ADJUSTED BASE WAGE.**

83.19 (a) For the purposes of section 256S.215, the adjusted base wage for each position equals  
83.20 the position's base wage under section 256S.212 plus:

83.21 (1) the position's base wage multiplied by the payroll taxes and benefits factor under  
83.22 section 256S.213, subdivision 1;

83.23 ~~(2) the position's base wage multiplied by the general and administrative factor under~~  
83.24 ~~section 256S.213, subdivision 2; and~~

83.25 (3) the position's base wage multiplied by the program plan support factor under section  
83.26 256S.213, subdivision 3;

83.27 (b) If the base wage described in paragraph (a) is below \$16.96, the base wage shall  
83.28 equal \$16.96.

83.29 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval,

83.30 whichever is later. The commissioner of human services shall notify the revisor of statutes

83.31 when federal approval is obtained.

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

106.9 Sec. 36. Minnesota Statutes 2022, section 256S.215, subdivision 4, is amended to read:

106.10 Subd. 4. **Home health aide services component rate.** The component rate for home  
106.11 health aide services is calculated as follows:

106.12 (1) sum the home health aide services adjusted base wage ~~plus~~ and the registered nurse  
106.13 management and supervision ~~factor~~ wage component;

106.14 (2) multiply the result of clause (1) by the general and administrative factor; and

106.15 (3) sum the results of clauses (1) and (2).

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

106.17 Sec. 37. Minnesota Statutes 2022, section 256S.215, subdivision 7, is amended to read:

106.18 Subd. 7. **Chore services rate.** The 15-minute unit rate for chore services is calculated  
106.19 as follows:

106.20 (1) sum the chore services adjusted base wage and the ~~social worker~~ unlicensed supervisor  
106.21 supervision ~~factor~~ wage component; ~~and~~

106.22 (2) multiply the result of clause (1) by the general and administrative factor;

106.23 (3) multiply the result of clause (1) by the supplies and transportation factor; and

106.24 (4) sum the results of clauses (1) to (3) and divide the result of ~~clause (1)~~ by four.

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

106.26 Sec. 38. Minnesota Statutes 2022, section 256S.215, subdivision 8, is amended to read:

106.27 Subd. 8. **Companion services rate.** The 15-minute unit rate for companion services is  
106.28 calculated as follows:

107.1 (1) sum the companion services adjusted base wage and the ~~social worker~~ unlicensed  
107.2 supervisor supervision ~~factor~~ wage component; ~~and~~

107.3 (2) multiply the result of clause (1) by the general and administrative factor;

107.4 (3) multiply the result of clause (1) by the supplies and transportation factor; and

107.5 (4) sum the results of clauses (1) to (3) and divide the result of ~~clause (1)~~ by four.

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

107.7 Sec. 39. Minnesota Statutes 2022, section 256S.215, subdivision 9, is amended to read:

107.8 Subd. 9. **Homemaker services and assistance with personal care rate.** The 15-minute  
107.9 unit rate for homemaker ~~services and~~ assistance with personal care is calculated as follows:

- 107.10 (1) ~~sum the homemaker services and assistance with personal care adjusted base wage~~  
107.11 ~~and the registered nurse management and unlicensed supervisor supervision factor wage~~  
107.12 ~~component; and~~
- 107.13 (2) ~~multiply the result of clause (1) by the general and administrative factor;~~
- 107.14 (3) ~~multiply the result of clause (1) by the supplies and transportation factor; and~~
- 107.15 (4) ~~sum the results of clauses (1) to (3) and divide the result of clause (1) by four.~~
- 107.16 **EFFECTIVE DATE.** This section is effective January 1, 2024.
- 107.17 Sec. 40. Minnesota Statutes 2022, section 256S.215, subdivision 10, is amended to read:
- 107.18 Subd. 10. **Homemaker services and cleaning rate.** The 15-minute unit rate for  
107.19 ~~homemaker services and cleaning~~ is calculated as follows:
- 107.20 (1) ~~sum the homemaker services and cleaning adjusted base wage and the registered~~  
107.21 ~~nurse management and unlicensed supervisor supervision factor wage component; and~~
- 107.22 (2) ~~multiply the result of clause (1) by the general and administrative factor;~~
- 107.23 (3) ~~multiply the result of clause (1) by the supplies and transportation factor; and~~
- 107.24 (4) ~~sum the results of clauses (1) to (3) and divide the result of clause (1) by four.~~
- 107.25 **EFFECTIVE DATE.** This section is effective January 1, 2024.
- 107.26 Sec. 41. Minnesota Statutes 2022, section 256S.215, subdivision 11, is amended to read:
- 107.27 Subd. 11. **Homemaker services and home management rate.** The 15-minute unit rate  
107.28 ~~for homemaker services and home management~~ is calculated as follows:
- 108.1 (1) ~~sum the homemaker services and home management adjusted base wage and the~~  
108.2 ~~registered nurse management and unlicensed supervisor supervision factor wage component;~~  
108.3 ~~and~~
- 108.4 (2) ~~multiply the result of clause (1) by the general and administrative factor;~~
- 108.5 (3) ~~multiply the result of clause (1) by the supplies and transportation factor; and~~
- 108.6 (4) ~~sum the results of clauses (1) to (3) and divide the result of clause (1) by four.~~
- 108.7 **EFFECTIVE DATE.** This section is effective January 1, 2024.
- 108.8 Sec. 42. Minnesota Statutes 2022, section 256S.215, subdivision 12, is amended to read:
- 108.9 Subd. 12. **In-home respite care services rates.** (a) The 15-minute unit rate for in-home  
108.10 ~~respite care services~~ is calculated as follows:

- 108.11 (1) sum the in-home respite care services adjusted base wage and the registered nurse  
108.12 management and supervision ~~factor~~ wage component; ~~and~~
- 108.13 (2) multiply the result of clause (1) by the general and administrative factor;
- 108.14 (3) multiply the result of clause (1) by the supplies and transportation factor; and
- 108.15 (4) sum the results of clauses (1) to (3) and divide the result of ~~clause (1)~~ by four.
- 108.16 (b) The in-home respite care services daily rate equals the in-home respite care services  
108.17 15-minute unit rate multiplied by 18.
- 108.18 **EFFECTIVE DATE.** This section is effective January 1, 2024.
- 108.19 Sec. 43. Minnesota Statutes 2022, section 256S.215, subdivision 13, is amended to read:
- 108.20 Subd. 13. **Out-of-home respite care services rates.** (a) The 15-minute unit rate for  
108.21 out-of-home respite care is calculated as follows:
- 108.22 (1) sum the out-of-home respite care services adjusted base wage and the registered  
108.23 nurse management and supervision ~~factor~~ wage component; ~~and~~
- 108.24 (2) multiply the result of clause (1) by the general and administrative factor;
- 108.25 (3) multiply the result of clause (1) by the supplies and transportation factor; and
- 108.26 (4) sum the results of clauses (1) to (3) and divide the result of ~~clause (1)~~ by four.
- 108.27 (b) The out-of-home respite care services daily rate equals the 15-minute unit rate for  
108.28 out-of-home respite care services multiplied by 18.
- 109.1 **EFFECTIVE DATE.** This section is effective January 1, 2024.
- 109.2 Sec. 44. Minnesota Statutes 2022, section 256S.215, subdivision 14, is amended to read:
- 109.3 Subd. 14. **Individual community living support rate.** The individual community living  
109.4 support rate is calculated as follows:
- 109.5 (1) sum the ~~home care aide~~ individual community living support adjusted base wage  
109.6 and the ~~social worker~~ registered nurse management and supervision ~~factor~~ wage component;  
109.7 ~~and~~
- 109.8 (2) multiply the result of clause (1) by the general and administrative factor;
- 109.9 (3) multiply the result of clause (1) by the supplies and transportation factor; and
- 109.10 (4) sum the results of clauses (1) to (3) and divide the result of ~~clause (1)~~ by four.
- 109.11 **EFFECTIVE DATE.** This section is effective January 1, 2024.

109.12 Sec. 45. Minnesota Statutes 2022, section 256S.215, subdivision 15, is amended to read:

109.13 Subd. 15. **Home-delivered meals rate.** Effective January 1, 2024, the home-delivered  
 109.14 meals rate equals \$9.30 is \$8.17, updated as directed in section 256S.211, subdivision 4.  
 109.15 The commissioner shall increase the home delivered meals rate every July 1 by the percent  
 109.16 increase in the nursing facility dietary per diem using the two most recent and available  
 109.17 nursing facility cost reports.

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

109.19 Sec. 46. Minnesota Statutes 2022, section 256S.215, subdivision 16, is amended to read:

109.20 Subd. 16. **Adult day services rate.** The 15-minute unit rate for adult day services, with  
 109.21 an assumed staffing ratio of one staff person to four participants, is the sum of is calculated  
 109.22 as follows:

109.23 (1) one sixteenth of the home care aide divide the adult day services adjusted base wage;  
 109.24 except that the general and administrative factor used to determine the home care aide  
 109.25 services adjusted base wage is 20 percent by five to reflect an assumed staffing ratio of one  
 109.26 to five;

109.27 (2) one-fourth of the registered nurse management and supervision factor sum the result  
 109.28 of clause (1) and the registered nurse management and supervision wage component; and

109.29 (3) \$0.63 to cover the cost of meals; multiply the result of clause (2) by the general and  
 109.30 administrative factor;

110.1 (4) multiply the result of clause (2) by the facility and equipment factor;

110.2 (5) multiply the result of clause (2) by the food, supplies, and transportation factor; and

110.3 (6) sum the results of clauses (2) to (5) and divide the result by four.

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

110.5 Sec. 47. Minnesota Statutes 2022, section 256S.215, subdivision 17, is amended to read:

110.6 Subd. 17. **Adult day services bath rate.** The 15-minute unit rate for adult day services  
 110.7 bath is the sum of calculated as follows:

110.8 (1) one-fourth of the home care aide sum the adult day services adjusted base wage;  
 110.9 except that the general and administrative factor used to determine the home care aide  
 110.10 services adjusted base wage is 20 percent and the nurse management and supervision wage  
 110.11 component;

110.12 (2) one-fourth of the registered nurse management and supervision multiply the result  
 110.13 of clause (1) by the general and administrative factor; and

84.1 Sec. 13. Minnesota Statutes 2022, section 256S.215, subdivision 15, is amended to read:

84.2 Subd. 15. **Home-delivered meals rate.** The home-delivered meals rate equals \$9.30 is  
 84.3 the rate in effect on July 1, 2023, adjusted by 15.8 percent. The commissioner shall increase  
 84.4 the home delivered meals rate every July 1 by the percent increase in the nursing facility  
 84.5 dietary per diem using the two most recent and available nursing facility cost reports.

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

- 110.14 (3) ~~\$0.63 to cover the cost of meals~~; multiply the result of clause (1) by the facility and  
 110.15 ~~equipment factor~~;
- 110.16 (4) multiply the result of clause (1) by the food, supplies, and transportation factor; and
- 110.17 (5) sum the results of clauses (1) to (4) and divide the result by four.
- 110.18 **EFFECTIVE DATE.** This section is effective January 1, 2024.

84.7 Sec. 14. Laws 2021, chapter 30, article 12, section 5, as amended by Laws 2021, First  
 84.8 Special Session chapter 7, article 17, section 2, is amended to read:

84.9 Sec. 5. **GOVERNOR'S COUNCIL ON AN AGE-FRIENDLY MINNESOTA.**

84.10 The Governor's Council on an Age-Friendly Minnesota, established in Executive Order  
 84.11 19-38, shall: (1) work to advance age-friendly policies; and (2) coordinate state, local, and  
 84.12 private partners' collaborative work on emergency preparedness, with a focus on older  
 84.13 adults, communities, and persons in zip codes most impacted by the COVID-19 pandemic.  
 84.14 The Governor's Council on an Age-Friendly Minnesota is extended and expires June 30,  
 84.15 ~~2024~~ 2027.

84.16 Sec. 15. Laws 2021, First Special Session chapter 7, article 17, section 8, is amended to  
 84.17 read:

84.18 Sec. 8. **AGE-FRIENDLY MINNESOTA.**

84.19 Subdivision 1. **Age-friendly community grants.** (a) This act includes \$0 in fiscal year  
 84.20 2022 and \$875,000 in fiscal year 2023 for age-friendly community grants. The commissioner  
 84.21 of human services, in collaboration with the Minnesota Board on Aging and the Governor's  
 84.22 Council on an Age-Friendly Minnesota, established in Executive Order 19-38, shall develop  
 84.23 the age-friendly community grant program to help communities, including cities, counties,  
 84.24 other municipalities, Tribes, and collaborative efforts, to become age-friendly communities,  
 84.25 with an emphasis on structures, services, and community features necessary to support older  
 84.26 adult residents over the next decade, including but not limited to:

84.27 (1) coordination of health and social services;

84.28 (2) transportation access;

84.29 (3) safe, affordable places to live;

84.30 (4) reducing social isolation and improving wellness;

85.1 (5) combating ageism and racism against older adults;

85.2 (6) accessible outdoor space and buildings;

85.3 (7) communication and information technology access; and

85.4 (8) opportunities to stay engaged and economically productive.

110.19 Sec. 48. DIRECTION TO COMMISSIONER; FUTURE PACE IMPLEMENTATION  
 110.20 FUNDING.

110.21 The commissioner of human services must work collaboratively with stakeholders to  
 110.22 undertake an actuarial analysis of medical assistance costs for nursing home eligible  
 110.23 beneficiaries for the purposes of establishing a monthly medical assistance capitation rate  
 110.24 for the program of all-inclusive care for the elderly (PACE). The analysis must account for  
 110.25 all sources of state medical assistance expenditures for nursing home eligible beneficiaries  
 110.26 including, but not limited to, capitation payments to plans and additional state expenditures  
 110.27 to skilled nursing facilities consistent with Code of Federal Regulations, title 42, section  
 110.28 447, and long-term care costs. The commissioner must also estimate the administrative  
 110.29 costs associated with implementing and monitoring PACE. The commissioner must provide  
 110.30 a report to the chairs and ranking minority members of the legislative committees with  
 110.31 jurisdiction over health care funding of the actuarial analysis, proposed capitation rate, and  
 111.1 estimated administrative costs by December 15, 2023. The commissioner shall recommend  
 111.2 a financing mechanism and administrative framework by March 1, 2024. By September 1,  
 111.3 2024, the commissioner shall inform the chairs and ranking minority members of the  
 111.4 legislative committees with jurisdiction over health care funding on the commissioner's  
 111.5 progress toward developing a recommended financing mechanism. For purposes of this  
 111.6 section, the commissioner may issue or extend a request for proposal to an outside vendor.

85.5 The general fund base in this act for this purpose is \$875,000 in fiscal year 2024 and \$0  
 85.6 \$3,000,000 in fiscal year 2025.

85.7 (b) All grant activities must be completed by March 31, 2024 2027.

85.8 (c) This subdivision expires June 30, 2024 2027.

85.9 Subd. 2. Technical assistance grants. (a) This act includes \$0 in fiscal year 2022 and  
 85.10 \$575,000 in fiscal year 2023 for technical assistance grants. The commissioner of human  
 85.11 services, in collaboration with the Minnesota Board on Aging and the Governor's Council  
 85.12 on an Age-Friendly Minnesota, established in Executive Order 19-38, shall develop the  
 85.13 age-friendly technical assistance grant program. The general fund base in this act for this  
 85.14 purpose is \$575,000 in fiscal year 2024 and \$0 \$1,725,000 in fiscal year 2025.

85.15 (b) All grant activities must be completed by March 31, 2024 2027.

85.16 (c) This subdivision expires June 30, 2024 2027.

85.26 Sec. 17. DIRECTION TO COMMISSIONER; FUTURE PACE IMPLEMENTATION  
 85.27 FUNDING.

85.28 (a) The commissioner of human services shall work collaboratively with stakeholders  
 85.29 to undertake an actuarial analysis of Medicaid costs for nursing home eligible beneficiaries  
 85.30 for the purposes of establishing a monthly Medicaid capitation rate for the program of  
 85.31 all-inclusive care for the elderly (PACE). The analysis must include all sources of state  
 86.1 Medicaid expenditures for nursing home eligible beneficiaries, including but not limited to  
 86.2 capitation payments to plans and additional state expenditures to skilled nursing facilities  
 86.3 consistent with Code of Federal Regulations, chapter 42, part 447, and long-term care costs.

86.4 (b) The commissioner shall also estimate the administrative costs associated with  
 86.5 implementing and monitoring PACE.

86.6 (c) The commissioner shall provide a report to the chairs and ranking minority members  
 86.7 of the legislative committees with jurisdiction over health care finance on the actuarial  
 86.8 analysis, proposed capitation rate, and estimated administrative costs by December 15,  
 86.9 2023. The commissioner shall recommend a financing mechanism and administrative  
 86.10 framework by July 1, 2024.

86.11 (d) By September 1, 2024, the commissioner shall inform the chairs and ranking minority  
 86.12 members of the legislative committees with jurisdiction over health care finance on the  
 86.13 commissioner's progress toward developing a recommended financing mechanism. For  
 86.14 purposes of this section, the commissioner may issue or extend a request for proposal to an  
 86.15 outside vendor.

111.7 Sec. 49. DIRECTION TO COMMISSIONER; CAREGIVER RESPITE SERVICES  
 111.8 GRANTS.

111.9 Beginning in fiscal year 2025, the commissioner of human services must continue the  
 111.10 respite services for older adults grant program established under Laws 2021, First Special  
 111.11 Session chapter 7, article 17, section 17, subdivision 3, under the authority granted under  
 111.12 Minnesota Statutes, section 256.9756. The commissioner may begin the grant application  
 111.13 process for awarding grants under Minnesota Statutes, section 256.9756, during fiscal year  
 111.14 2024 in order to facilitate the continuity of the grant program during the transition from a  
 111.15 temporary program to a permanent one.

111.16 Sec. 50. NURSING FACILITY FUNDING.

111.17 (a) Effective July 1, 2023, through June 30, 2025, the total payment rate for all facilities  
 111.18 reimbursed under Minnesota Statutes, chapter 256R, must be increased by an amount per  
 111.19 resident day equal to a net state general fund expenditure of \$37,045,000 in fiscal year 2024  
 111.20 and \$37,045,000 in fiscal year 2025. Effective July 1, 2025, the total payment rate for all  
 111.21 facilities reimbursed under Minnesota Statutes, chapter 256R, must be increased by an  
 111.22 amount per resident day equal to a net state expenditure of \$23,698,000 per fiscal year. The  
 111.23 rate increases under this paragraph are add-ons to the facilities' rates calculated under  
 111.24 Minnesota Statutes, chapter 256R.

111.25 (b) To be eligible to receive a payment under this section, a nursing facility must attest  
 111.26 to the commissioner of human services that the additional revenue will be used exclusively  
 111.27 to increase compensation-related costs for employees directly employed by the facility on  
 111.28 or after July 1, 2023, excluding:

111.29 (1) owners of the building and operation;

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

111.32 (3) persons paid by the nursing facility under a management contract; and

112.1 (4) persons providing separately billable services.

112.2 (c) Contracted housekeeping, dietary, and laundry employees providing services on site  
 112.3 at the nursing facility are eligible for compensation-related cost increases under this section,  
 112.4 provided the agency that employs them submits to the nursing facility proof of the costs of  
 112.5 the increases provided to those employees.

85.17 Sec. 16. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; CAREGIVER  
 85.18 RESPITE SERVICES GRANTS.

85.19 Beginning in fiscal year 2025, the commissioner of human services must continue the  
 85.20 respite services for older adults grant program established under Laws 2021, First Special  
 85.21 Session chapter 7, article 17, section 17, subdivision 3, under the authority granted under  
 85.22 Minnesota Statutes, section 256.9756. The commissioner may begin the grant application  
 85.23 process for awarding grants under Minnesota Statutes, section 256.9756, during fiscal year  
 85.24 2024 in order to facilitate the continuity of the grant program during the transition from a  
 85.25 temporary program to a permanent one.

THE FOLLOWING SECTION WAS MOVED IN FROM UES2934-2, ARTICLE 8, SECTION 7

175.24 Sec. 7. APPROPRIATION; NURSING FACILITY GRANTS.

175.25 (a) \$10,000,000 in fiscal year 2024 and \$10,000,000 in fiscal year 2025 are appropriated  
 175.26 from the general fund to the commissioner of human services for grants to nursing facilities.  
 175.27 This is a onetime appropriation.

175.28 (b) To be eligible to receive a grant under this section, a nursing facility must apply to  
 175.29 the commissioner on the forms and according to the timelines established by the  
 175.30 commissioner. The commissioner must develop an expedited application process that  
 175.31 includes a form allowing applicants to meet the requirements of this section in as timely a  
 175.32 manner as possible. The commissioner must allow the use of electronic submission of  
 175.33 application forms and accept electronic signatures.



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

112.7 (1) permanent new increases to wages and salaries implemented on or after July 1, 2023,  
112.8 and before September 1, 2023, for nursing facility employees;

112.9 (2) permanent new increases to wages and salaries implemented on or after July 1, 2023,  
112.10 and before September 1, 2023, for employees in the organization's shared services  
112.11 departments of hospital-attached nursing facilities for the nursing facility allocated share  
112.12 of wages; and

112.13 (3) the employer's share of FICA taxes, Medicare taxes, state and federal unemployment  
112.14 taxes, PERA, workers' compensation, and pension and employee retirement accounts directly  
112.15 associated with the wage and salary increases in clauses (1) and (2) incurred no later than  
112.16 December 31, 2025, and paid for no later than June 30, 2026.

112.17 (e) A facility that receives a rate increase under this section must complete a distribution  
112.18 plan in the form and manner determined by the commissioner. This plan must specify the  
112.19 total amount of money the facility is estimated to receive from this rate increase and how  
112.20 that money will be distributed to increase the allowable compensation-related costs described  
112.21 in paragraph (d) for employees described in paragraphs (b) and (c). This estimate must be  
112.22 computed by multiplying \$28.65 by the sum of the medical assistance and private pay  
112.23 resident days as defined in Minnesota Statutes, section 256R.02, subdivision 45, for the  
112.24 period beginning October 1, 2021, through September 30, 2022, dividing this sum by 365  
112.25 and multiplying the result by 915. A facility must submit its distribution plan to the  
112.26 commissioner by October 1, 2023. The commissioner may review the distribution plan to  
112.27 ensure that the payment rate adjustment per resident day is used in accordance with this  
112.28 section. The commissioner may allow for a distribution plan amendment under exceptional  
112.29 circumstances to be determined at the sole discretion of the commissioner.

112.30 (f) By September 1, 2023, a facility must post the distribution plan summary and leave  
112.31 it posted for a period of at least six months in an area of the facility to which all employees  
112.32 have access. The posted distribution plan summary must be in the form and manner  
112.33 determined by the commissioner. The distribution plan summary must include instructions  
112.34 regarding how to contact the commissioner, or the commissioner's representative, if an  
113.1 employee believes the employee is covered by paragraph (b) or (c) and has not received the  
113.2 compensation-related increases described in paragraph (d). The instruction to such employees  
113.3 must include the e-mail address and telephone number that may be used by the employee  
113.4 to contact the commissioner's representative. The posted distribution plan summary must  
113.5 demonstrate how the increase in paragraph (a) received by the nursing facility from July 1,  
113.6 2023, through December 1, 2025, will be used in full to pay the compensation-related costs  
113.7 in paragraph (d) for employees described in paragraphs (b) and (c).

176.1 (c) An eligible nursing facility must receive a grant in an amount equal to half of the  
176.2 facility's estimated lost revenue from March 15, 2020, to January 31, 2022.

176.3 (d) A nursing facility must attest to the commissioner that the grant money will be used  
176.4 to:

176.5 (1) pay down debt accrued from March 15, 2020, to January 31, 2022;

176.6 (2) pay for steps taken to mitigate the effects of the COVID-19 pandemic; or

176.7 (3) hire or retain staff.

176.8 (e) A nursing facility that receives a grant under this section must prepare, and submit  
176.9 to the commissioner upon request, a plan that specifies the total amount of grant money the  
176.10 facility expects to receive and how that money will be used to meet the requirements of  
176.11 paragraph (d).

113.8 (g) If the nursing facility expends less on new compensation-related costs than the amount  
 113.9 that was made available by the rate increase in this section for that purpose, the amount of  
 113.10 this rate adjustment must be reduced to equal the amount utilized by the facility for purposes  
 113.11 authorized under this section. If the facility fails to post the distribution plan summary in  
 113.12 its facility as required, fails to submit its distribution plan to the commissioner by the due  
 113.13 date, or uses the money for unauthorized purposes, these rate increases must be treated as  
 113.14 an overpayment and subsequently recovered.

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

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

113.20 Sec. 51. **DIRECTION TO COMMISSIONERS OF HUMAN SERVICES AND**  
 113.21 **HEALTH; SMALL PROVIDER REGULATORY RELIEF.**

113.22 The commissioners of human services and health must consult with assisted living  
 113.23 facility license holders who provide customized living and whose facilities are smaller than  
 113.24 11 beds to compile a list of regulatory requirements, compliance with which is particularly  
 113.25 difficult for small providers. The commissioners must provide the chairs and ranking minority  
 113.26 members of the legislative committees with jurisdiction over assisted living licensure and  
 113.27 customized living with recommendations, including draft legislation, to reduce the regulatory  
 113.28 burden on small providers.

176.12 (f) The commissioner must not treat grant money received under this section as an  
 176.13 applicable credit for the purposes of setting total payment rates under Minnesota Statutes,  
 176.14 chapter 256R.

86.16 Sec. 18. **RATE INCREASE FOR CERTAIN HOME AND COMMUNITY-BASED**  
 86.17 **SERVICES.**

86.18 The commissioner of human services shall increase payment rates for community living  
 86.19 assistance and family caregiver services under Minnesota Statutes, sections 256B.0913 and  
 86.20 256B.0922, and chapter 256S by 15.8 percent from the rates in effect on December 31,  
 86.21 2023.

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

UES2934-2, ARTICLE 2, SECTION 19, HAS BEEN MOVED OUT TO MATCH  
 S2934-3, ARTICLE 1, SECTION 59

113.29 Sec. 52. **REVISOR INSTRUCTION.**

113.30 The revisor of statutes shall change the headnote in Minnesota Statutes, section  
 113.31 256B.0917, from "HOME AND COMMUNITY-BASED SERVICES FOR OLDER  
 113.32 ADULTS" to "ELDERCARE DEVELOPMENT PARTNERSHIPS."

114.1 Sec. 53. **REPEALER.**

114.2 (a) Minnesota Statutes 2022, section 256B.0917, subdivisions 1a, 6, 7a, and 13, are  
 114.3 repealed.

114.4 (b) Minnesota Statutes 2022, section 256S.19, subdivision 4, is repealed.

114.5 **EFFECTIVE DATE.** Paragraph (a) is effective July 1, 2023. Paragraph (b) is effective  
 114.6 January 1, 2024.

87.6 Sec. 20. **REVISOR INSTRUCTION.**

87.7 The revisor of statutes shall change the headnote in Minnesota Statutes, section  
 87.8 256B.0917, from "HOME AND COMMUNITY-BASED SERVICES FOR OLDER  
 87.9 ADULTS" to "ELDERCARE DEVELOPMENT PARTNERSHIPS."

87.10 Sec. 21. **REPEALER.**

87.11 (a) Minnesota Statutes 2022, section 256S.2101, subdivisions 1 and 2, are repealed.

87.12 (b) Minnesota Statutes 2022, section 256B.0917, subdivisions 1a, 6, 7a, and 13, are  
 87.13 repealed.

87.14 **EFFECTIVE DATE.** Paragraph (a) is effective January 1, 2024.