

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 2052

(SENATE AUTHORS: FATEH)

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Introduction and first reading
Referred to Human Services

OFFICIAL STATUS

- 1.1 A bill for an act
- 1.2 relating to human services; modifying community first services and supports rates;
- 1.3 amending Minnesota Statutes 2024, section 256B.851, subdivisions 3, 4, 5, by
- 1.4 adding subdivisions.
- 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6 Section 1. Minnesota Statutes 2024, section 256B.851, subdivision 3, is amended to read:
- 1.7 Subd. 3. **Payment rates; base wage index.** ~~When initially establishing the base wage~~
- 1.8 ~~component values;~~ (a) Effective January 1, 2026, and every two years thereafter, the
- 1.9 ~~commissioner must use~~ establish base wage component values using the Minnesota-specific
- 1.10 median wage for the standard occupational classification (SOC) codes published by the
- 1.11 Bureau of Labor Statistics in the edition of the Occupational Handbook published in March
- 1.12 ~~2021~~ in the spring approximately 21 months prior to the scheduled update. The commissioner
- 1.13 must calculate the base wage component values as follows ~~for~~:
- 1.14 (1) for personal care assistance services, CFSS, extended personal care assistance services,
- 1.15 and extended CFSS; the base wage component value equals the median wage for personal
- 1.16 care aide (SOC code 31-1120);
- 1.17 (2) for enhanced rate personal care assistance services and enhanced rate CFSS; the
- 1.18 base wage component value equals the product of median wage for personal care aide (SOC
- 1.19 code 31-1120) and the value of the enhanced rate under section 256B.0659, subdivision
- 1.20 17a, for enhanced personal care assistance services and under section 256B.85, subdivision
- 1.21 7a, for enhanced CFSS; and
- 1.22 (3) for qualified professional services and CFSS worker training and development; the
- 1.23 base wage component value equals the sum of 70 percent of the median wage for registered

nurse (SOC code 29-1141), 15 percent of the median wage for health care social worker (SOC code 21-1099), and 15 percent of the median wage for social and human service assistant (SOC code 21-1093).

(b) The commissioner must publish the current base wage component values on the department's website.

Sec. 2. Minnesota Statutes 2024, section 256B.851, subdivision 4, is amended to read:

Subd. 4. **Payment rates; total wage index.** (a) The commissioner must multiply the base wage component values in subdivision 3 by one plus the appropriate competitive workforce factor. ~~The product is~~ products are the total wage component ~~value.~~ values. The commissioner must publish the current total wage component values on the department's website.

(b) For personal care assistance services, CFSS, extended personal care assistance services, extended CFSS, enhanced rate personal care assistance services, and enhanced rate CFSS, the ~~initial~~ competitive workforce factor is 4.7 percent.

(c) For qualified professional services and CFSS worker training and development, the competitive workforce factor is zero percent.

Sec. 3. Minnesota Statutes 2024, section 256B.851, is amended by adding a subdivision to read:

Subd. 4a. **Updates to competitive workforce factors.** (a) Beginning January 1, 2026, and every two years thereafter, the commissioner must adjust the total wage component values in subdivision 4 by applying an updated competitive workforce factor using the most recently available data. The commissioner must calculate the biennial update to the competitive workforce factor after establishing the base wage component values required in subdivision 3. The commissioner must determine the updated competitive workforce factor by adjusting it toward the percent difference between:

(1) the median wage for personal care aide (SOC code 39-9021); and

(2) the weighted average wage for all other SOC codes with the same Bureau of Labor Statistics classifications for education, experience, and training required for job competency.

(b) For each biennial update of the competitive workforce factor under paragraph (a), the commissioner must not increase or decrease the competitive workforce factor from its previous value by more than three percentage points. If, after a biennial adjustment, the

3.1 competitive workforce factor is less than or equal to zero, the competitive workforce factor
3.2 must be zero.

3.3 (c) The commissioner must publish the updated competitive workforce factor on the
3.4 department's website.

3.5 Sec. 4. Minnesota Statutes 2024, section 256B.851, subdivision 5, is amended to read:

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

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

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

3.10 (3) employee benefits factor, 12.04 percent;

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

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

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

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

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

3.16 ~~(b) For purposes of implementation, the commissioner shall use the following~~
3.17 ~~implementation components:~~

3.18 ~~(1) personal care assistance services and CFSS: 88.19 percent;~~

3.19 ~~(2) enhanced rate personal care assistance services and enhanced rate CFSS: 88.19~~
3.20 ~~percent; and~~

3.21 ~~(3) qualified professional services and CFSS worker training and development: 88.19~~
3.22 ~~percent.~~

3.23 ~~(e) Effective January 1, 2025,~~ (b) For purposes of implementation, the commissioner
3.24 shall use the following implementation components:

3.25 (1) personal care assistance services and CFSS: 92.08 percent;

3.26 (2) enhanced rate personal care assistance services and enhanced rate CFSS: 92.08
3.27 percent; and

3.28 (3) qualified professional services and CFSS worker training and development: 92.08
3.29 percent.

4.1 ~~(d)~~ (c) The commissioner shall use the following worker retention components:

4.2 (1) for workers who have provided fewer than 1,001 cumulative hours in personal care
4.3 assistance services or CFSS, the worker retention component is zero percent;

4.4 (2) for workers who have provided between 1,001 and 2,000 cumulative hours in personal
4.5 care assistance services or CFSS, the worker retention component is 2.17 percent;

4.6 (3) for workers who have provided between 2,001 and 6,000 cumulative hours in personal
4.7 care assistance services or CFSS, the worker retention component is 4.36 percent;

4.8 (4) for workers who have provided between 6,001 and 10,000 cumulative hours in
4.9 personal care assistance services or CFSS, the worker retention component is 7.35 percent;
4.10 and

4.11 (5) for workers who have provided more than 10,000 cumulative hours in personal care
4.12 assistance services or CFSS, the worker retention component is 10.81 percent.

4.13 ~~(e)~~ (d) The commissioner shall define the appropriate worker retention component based
4.14 on the total number of units billed for services rendered by the individual provider since
4.15 July 1, 2017. The worker retention component must be determined by the commissioner
4.16 for each individual provider and is not subject to appeal.

4.17 Sec. 5. Minnesota Statutes 2024, section 256B.851, is amended by adding a subdivision
4.18 to read:

4.19 Subd. 5a. Updates to component values. (a) Beginning January 1, 2026, and every two
4.20 years thereafter, the commissioner must increase the implementation component values
4.21 under subdivision 5 by two percentage points until each component is 100 percent.

4.22 (b) Beginning January 1, 2026, and every two years thereafter, the commissioner must
4.23 update the client programming and supports factor in subdivision 5 for changes in the
4.24 Consumer Price Index by the value of the difference between the most recent update and
4.25 the data available six months and one day before the scheduled update.