

**SENATE**  
**STATE OF MINNESOTA**  
**NINETY-FOURTH SESSION**

**S.F. No. 2796**

(SENATE AUTHORS: FATEH, Hoffman, Mann and Clark)

DATE  
03/20/2025

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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; requiring waiver case management labor market
- 1.3 analysis; increasing waiver case management rates; requiring reports; amending
- 1.4 Minnesota Statutes 2024, section 256B.0922, subdivision 1; proposing coding for
- 1.5 new law in Minnesota Statutes, chapter 256B.
- 1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.7 Section 1. Minnesota Statutes 2024, section 256B.0922, subdivision 1, is amended to read:
- 1.8 Subdivision 1. **Essential community supports.** (a) The purpose of the essential
- 1.9 community supports program is to provide targeted services to persons age 65 and older
- 1.10 who need essential community support, but whose needs do not meet the level of care
- 1.11 required for nursing facility placement under section 144.0724, subdivision 11.
- 1.12 (b) Essential community supports are available not to exceed ~~\$400~~ \$..... per person per
- 1.13 month. Essential community supports may be used as authorized within an authorization
- 1.14 period not to exceed 12 months. Services must be available to a person who:
- 1.15 (1) is age 65 or older;
- 1.16 (2) is not eligible for medical assistance;
- 1.17 (3) has received a community assessment under section 256B.0911, subdivisions 17 to
- 1.18 21, 23, 24, or 27, and does not require the level of care provided in a nursing facility;
- 1.19 (4) meets the financial eligibility criteria for the alternative care program under section
- 1.20 256B.0913, subdivision 4;
- 1.21 (5) has an assessment summary; and

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

(i) adult day services;

(ii) caregiver support;

(iii) homemaker support;

(iv) chores;

(v) a personal emergency response device or system;

(vi) home-delivered meals; or

(vii) community living assistance as defined by the commissioner.

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

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

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

**EFFECTIVE DATE.** This section is effective July 1, 2025.

## **Sec. 2. [256B.485] WAIVER CASE MANAGEMENT.**

**Subdivision 1. Applicability.** This section applies to all waiver case management services provided under sections 256B.0913, 256B.092, 256B.0922, and 256B.49, and chapter 256S.

**Subd. 2. Case management labor market analysis.** (a) County agencies must submit case management labor market data and the data of their contracted providers to the commissioner annually according to timelines specified by the commissioner. The commissioner must compile, summarize, analyze, and publicly post annual updates on the data department's website. The commissioner must include in the annual updates an analysis of the case management labor market trends statewide and by county.

(b) For purposes of the case management labor market analysis required under this subdivision, each county agency must submit the following data in a form and manner determined by the commissioner:

(1) number of case managers directly employed by the county agency;

(2) number of private agencies under contract with the county agency to provide case management;

(3) number of case managers employed by the private agencies under contract with the county agency;

(4) wages of case managers, by employer;

(5) overtime wages of case managers, by employer;

(6) average hours worked by case managers, by employer;

(7) number of billable hours submitted, by employer;

(8) average caseload, by employer;

(9) total number of individuals served directly by the county agency and by each private agency under contract with the county agency;

(10) employee benefits provided to case managers, by employer;

(11) summary data as defined in section 13.02 on the demographic characteristics of all case managers, not by employer;

(12) total number of case management job vacancies, by employer; and

(13) case management tenure and turnover rates, by employer.

Subd. 3. **Annual rate review.** The commissioner must engage with counties and interested community members to review rates on an annual basis and request input on recommendations prior to finalization of any recommendations the commissioner chooses to make to the legislature regarding waiver case management rates.

**EFFECTIVE DATE.** This section is effective July 1, 2025.

Sec. 3. **WAIVER CASE MANAGEMENT RATE INCREASE.**

The rates for waiver case management services provided under Minnesota Statutes, sections 256B.0913, 256B.092, 256B.0922, and 256B.49, and Minnesota Statutes, chapter 256S, are increased by 27.5 percent from the rates in effect on June 30, 2025.

4.1 **EFFECTIVE DATE.** This section is effective July 1, 2025, and applies to services  
4.2 provided on or after that date.

4.3 Sec. 4. **MONTHLY CASE MIX BUDGET CAP INCREASES.**

4.4 To accommodate a waiver case management services rate increase of 27.5 percent, the  
4.5 monthly case mix budget caps under Minnesota Statutes, sections 256S.18 and 256S.19,  
4.6 are increased by ... percent.

4.7 **EFFECTIVE DATE.** This section is effective July 1, 2025.

4.8 Sec. 5. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; STATEWIDE**  
4.9 **WAVIER CASE MANAGEMENT RATE METHODOLOGY.**

4.10 (a) The commissioner must develop recommendations for a statewide rate methodology  
4.11 for waiver case management services provided under Minnesota Statutes, sections 256B.0913,  
4.12 256B.092, 256B.0922, and 256B.49, and Minnesota Statutes, chapter 256S. The  
4.13 commissioner must engage with county agencies and interested community members to  
4.14 identify priorities for rate setting, collect cost data, and request input on recommendations  
4.15 prior to finalizing the commissioner's recommendations.

4.16 (b) The commissioner may include the following variables in setting the rate  
4.17 methodology:

4.18 (1) prevailing wages;

4.19 (2) recruitment costs;

4.20 (3) employee-related expenses;

4.21 (4) paid time off and training;

4.22 (5) supervision and span of control;

4.23 (6) distribution of time;

4.24 (7) general and administrative expenses;

4.25 (8) travel and mileage expenses;

4.26 (9) nonbillable time;

4.27 (10) absence days;

4.28 (11) program support expenses;

4.29 (12) caseload sizes; and

5.1 (13) culturally specific program factors as described in Minnesota Statutes, section  
5.2 256B.076, subdivision 3.

5.3 (c) The commissioner may also recommend modifications to county and state duties  
5.4 and responsibilities related to waiver case management, case load sizes, and quality assurance.

5.5 (d) The commissioner must submit recommendations to the chairs and ranking minority  
5.6 members of the legislative committees with jurisdiction over home and community-based  
5.7 waiver case management services by February 1, 2026.