

Senator moves to amend S.F. No. 2443 as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

AGING AND DISABILITY SERVICES POLICY

Section 1. Minnesota Statutes 2024, section 245A.11, subdivision 4, is amended to read:

Subd. 4. **Location of residential programs.** In determining whether to grant a license, the commissioner shall specifically consider the population, size, land use plan, availability of community services, and the number and size of existing licensed residential programs in the town, municipality, or county in which the applicant seeks to operate a residential program. The commissioner shall not grant an initial license to any residential program if the residential program will be within 1,320 feet of an existing assisted living facility with a licensed resident capacity of six or fewer or within 1,320 feet of an existing residential program unless one of the following conditions apply: (1) the existing residential program is located in a hospital licensed by the commissioner of health; ~~(2) the town, municipality, or county zoning authority grants the residential program a conditional use or special use permit; (3) the program serves six or fewer persons and is not located in a city of the first class; or (4) the program is foster care, or a community residential setting as defined under section 245D.02, subdivision 4a.~~

EFFECTIVE DATE. This section is effective August 1, 2025, and applies to initial licenses issued on or after that date.

Sec. 2. Minnesota Statutes 2024, section 245D.10, is amended by adding a subdivision to read:

Subd. 1a. **Prohibited condition of service provision.** A license holder is prohibited from requiring a person to have or obtain a guardian or conservator as a condition of receiving or continuing to receive services regulated under this chapter.

Sec. 3. Minnesota Statutes 2024, section 252.28, subdivision 2, is amended to read:

Subd. 2. **Rules; program standards; licenses.** The commissioner of human services shall:

(1) Establish uniform rules and program standards for each type of residential and day facility or service for persons with developmental disabilities, including state hospitals under

control of the executive board and serving persons with developmental disabilities, and excluding persons with developmental disabilities residing with their families.

(2) Grant licenses according to the provisions of ~~Laws 1976, chapter 243, sections 2 to 13~~ chapter 245A.

Sec. 4. Minnesota Statutes 2024, section 252.41, subdivision 3, is amended to read:

Subd. 3. Day services for adults with disabilities. (a) "Day services for adults with disabilities" or "day services" means services that:

(1) include supervision, training, assistance, support, facility-based work-related activities, or other community-integrated activities designed and implemented in accordance with the support plan and support plan addendum required under sections ~~245D.02, subdivision 4, paragraphs (b) and (c),~~ 245D.02, subdivisions 4b and 4c, and 256B.092, subdivision 1b, and Minnesota Rules, part 9525.0004, subpart 12, to help an adult reach and maintain the highest possible level of independence, productivity, and integration into the community;

(2) include day support services, prevocational services, ~~day training and habilitation services,~~ structured day services, and adult day services as defined in Minnesota's federally approved disability waiver plans; ~~and~~

(3) include day training and habilitation services; and

(4) are provided by a vendor licensed under sections 245A.01 to 245A.16, 245D.27 to 245D.31, 252.28, subdivision 2, or 252.41 to 252.46, or Minnesota Rules, parts 9525.1200 to 9525.1330, to provide day services.

(b) Day services reimbursable under this section do not include special education and related services as defined in the Education of the Individuals with Disabilities Act, United States Code, title 20, chapter 33, section 1401, clauses (6) and (17), or vocational services funded under section 110 of the Rehabilitation Act of 1973, United States Code, title 29, section 720, as amended.

(c) Day services do not include employment exploration, employment development, or employment support services as defined in the home and community-based services waivers for people with disabilities authorized under sections 256B.092 and 256B.49.

Sec. 5. Minnesota Statutes 2024, section 252.42, is amended to read:

252.42 SERVICE PRINCIPLES.

The design and delivery of services eligible for reimbursement should reflect the following principles:

(1) services must suit a person's chronological age and be provided in the least restrictive environment possible, consistent with the needs identified in the person's support plan and support plan addendum required under sections 256B.092, subdivision 1b, and ~~245D.02, subdivision 4, paragraphs (b) and (c)~~ 245D.02, subdivisions 4b and 4c, and Minnesota Rules, part 9525.0004, subpart 12;

(2) a person with a disability whose individual support plans and support plan addendums authorize employment or employment-related activities shall be given the opportunity to participate in employment and employment-related activities in which nondisabled persons participate;

(3) a person with a disability participating in work shall be paid wages commensurate with the rate for comparable work and productivity except as regional centers are governed by section 246.151;

(4) a person with a disability shall receive services which include services offered in settings used by the general public and designed to increase the person's active participation in ordinary community activities;

(5) a person with a disability shall participate in the patterns, conditions, and rhythms of everyday living and working that are consistent with the norms of the mainstream of society.

Sec. 6. Minnesota Statutes 2024, section 252.43, is amended to read:

252.43 COMMISSIONER'S DUTIES.

(a) The commissioner shall supervise lead agencies' provision of day services to adults with disabilities. The commissioner shall:

(1) determine the need for day ~~programs~~ services, except for adult day services, under sections 256B.4914 and 252.41 to 252.46 operated in a day services facility licensed under sections 245D.27 to 245D.31;

~~(2) establish payment rates as provided under section 256B.4914;~~

(3) (2) adopt rules for the administration and provision of day services under sections 245A.01 to 245A.16; 252.28, subdivision 2; or 252.41 to 252.46; or Minnesota Rules, parts 9525.1200 to 9525.1330;

(4) (3) enter into interagency agreements necessary to ensure effective coordination and provision of day services;

(5) (4) monitor and evaluate the costs and effectiveness of day services; and

(6) (5) provide information and technical help to lead agencies and vendors in their administration and provision of day services.

(b) A determination of need in paragraph (a), clause (1), shall not be required for a change in day service provider name or ownership.

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

Sec. 7. Minnesota Statutes 2024, section 252.44, is amended to read:

252.44 LEAD AGENCY BOARD RESPONSIBILITIES.

When the need for day services in a county or tribe has been determined under section ~~252.28~~ 252.43, the board of commissioners for that lead agency shall:

(1) authorize the delivery of day services according to the support plans and support plan addendums required as part of the lead agency's provision of case management services under sections ~~256B.0913, subdivision 8; 256B.092, subdivision 1b; 256B.49, subdivision 15; and 256S.10~~ and Minnesota Rules, parts 9525.0004 to 9525.0036;

(2) ensure that transportation is provided or arranged by the vendor in the most efficient and reasonable way possible; and

(3) monitor and evaluate the cost and effectiveness of the services.

Sec. 8. Minnesota Statutes 2024, section 252.45, is amended to read:

252.45 VENDOR'S DUTIES.

A day service vendor enrolled with the commissioner is responsible for items under clauses (1), (2), and (3), and extends only to the provision of services that are reimbursable under state and federal law. A vendor providing day services shall:

(1) provide the amount and type of services authorized in the individual service plan under the support plan and support plan addendum required under sections ~~245D.02~~,

5.1 ~~subdivision 4, paragraphs (b) and (c) 245D.02, subdivisions 4b and 4c, and 256B.092,~~
5.2 ~~subdivision 1b, and Minnesota Rules, part 9525.0004, subpart 12;~~

5.3 (2) design the services to achieve the outcomes assigned to the vendor in the support
5.4 plan and support plan addendum required under sections ~~245D.02, subdivision 4, paragraphs~~
5.5 ~~(a) and (b) 245D.02, subdivisions 4b and 4c, and 256B.092, subdivision 1b, and Minnesota~~
5.6 Rules, part 9525.0004, subpart 12;

5.7 (3) provide or arrange for transportation of persons receiving services to and from service
5.8 sites;

5.9 (4) enter into agreements with community-based intermediate care facilities for persons
5.10 with developmental disabilities to ensure compliance with applicable federal regulations;
5.11 and

5.12 (5) comply with state and federal law.

5.13 Sec. 9. Minnesota Statutes 2024, section 252.46, subdivision 1a, is amended to read:

5.14 Subd. 1a. **Day training and habilitation rates.** The commissioner shall establish a
5.15 ~~statewide rate-setting methodology rates~~ for all day training and habilitation services as
5.16 ~~provided under section 256B.4914. The rate-setting methodology must abide by the principles~~
5.17 ~~of transparency and equitability across the state. The methodology must involve a uniform~~
5.18 ~~process of structuring rates for each service and must promote quality and participant choice~~
5.19 and for transportation delivered as a part of day training and habilitation services. The
5.20 commissioner shall consult with impacted groups prior to making modifications to rates
5.21 under this section.

5.22 **EFFECTIVE DATE.** This section is effective January 1, 2026.

5.23 Sec. 10. Minnesota Statutes 2024, section 256B.0654, subdivision 4, is amended to read:

5.24 Subd. 4. **Hardship criteria; home care nursing.** (a) Payment is allowed for extraordinary
5.25 services that require specialized nursing skills and are provided by parents of minor children,
5.26 family foster parents, spouses, and legal guardians who are providing home care nursing
5.27 care under the following conditions:

5.28 (1) the provision of these services is not legally required of the parents, spouses, or legal
5.29 guardians;

5.30 (2) the services are necessary to prevent hospitalization of the recipient; and

(3) the recipient is eligible for state plan home care or a home and community-based waiver and one of the following hardship criteria are met:

(i) the parent, spouse, or legal guardian resigns from a part-time or full-time job to provide nursing care for the recipient;

(ii) the parent, spouse, or legal guardian goes from a full-time to a part-time job with less compensation to provide nursing care for the recipient;

(iii) the parent, spouse, or legal guardian takes a leave of absence without pay to provide nursing care for the recipient; or

(iv) because of labor conditions, special language needs, or intermittent hours of care needed, the parent, spouse, or legal guardian is needed in order to provide adequate home care nursing services to meet the medical needs of the recipient.

(b) Home care nursing may be provided by a parent, spouse, family foster parent, or legal guardian who is a nurse licensed in Minnesota. Home care nursing services provided by a parent, spouse, family foster parent, or legal guardian cannot be used in lieu of nursing services covered and available under liable third-party payors, including Medicare. The home care nursing provided by a parent, spouse, family foster parent, or legal guardian must be included in the service agreement. Authorized nursing services for a single recipient or recipients with the same residence and provided by the parent, spouse, family foster parent, or legal guardian may not exceed 50 percent of the total approved nursing hours, or ~~eight~~ 12 hours per day, whichever is less, up to a maximum of ~~40~~ 60 hours per week. A parent or parents, spouse, family foster parent, or legal guardian shall not provide more than ~~40~~ 60 hours of services in a seven-day period. For parents, family foster parents, and legal guardians, ~~40~~ 60 hours is the total amount allowed regardless of the number of children or adults who receive services. Nothing in this subdivision precludes the parent's, spouse's, or legal guardian's obligation of assuming the nonreimbursed family responsibilities of emergency backup caregiver and primary caregiver.

(c) Notwithstanding any law or rule to the contrary, a parent, spouse, family foster parent, or legal guardian providing services under this subdivision may be employed by more than one home care nursing agency.

~~(e)~~ (d) A parent, family foster parent, or a spouse may not be paid to provide home care nursing care if:

(1) the parent or spouse fails to pass a criminal background check according to chapter 245C;

(2) it has been determined by the home care nursing agency, the case manager, or the physician, advanced practice registered nurse, or physician assistant that the home care nursing provided by the parent, family foster parent, spouse, or legal guardian is unsafe; or

(3) the parent, family foster parent, spouse, or legal guardian does not follow physician, advanced practice registered nurse, or physician assistant orders.

~~(d)~~ (e) For purposes of this section, "assessment" means a review and evaluation of a recipient's need for home care services conducted in person. Assessments for home care nursing must be conducted by a registered nurse.

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

Sec. 11. Minnesota Statutes 2024, section 256B.0911, subdivision 24, is amended to read:

Subd. 24. **Remote reassessments.** (a) Assessments performed according to subdivisions 17 to 20 ~~and~~ 23, and 25, paragraph (b), must be in person unless the assessment is a reassessment meeting the requirements of this subdivision. Remote reassessments conducted by interactive video or telephone may substitute for in-person reassessments.

(b) For services provided by the developmental disabilities waiver under section 256B.092, and the community access for disability inclusion, community alternative care, and brain injury waiver programs under section 256B.49, remote reassessments may be substituted for two consecutive reassessments if followed by an in-person reassessment.

(c) For services provided by alternative care under section 256B.0913, essential community supports under section 256B.0922, and the elderly waiver under chapter 256S, remote reassessments may be substituted for one reassessment if followed by an in-person reassessment.

(d) For personal care assistance provided under section 256B.0659 and community first services and supports provided under section 256B.85, remote reassessments may be substituted for two consecutive reassessments if followed by an in-person reassessment.

(e) A remote reassessment is permitted only if the lead agency provides informed choice and the person being reassessed or the person's legal representative provides informed consent for a remote assessment. Lead agencies must document that informed choice was offered.

(f) The person being reassessed, or the person's legal representative, may refuse a remote reassessment at any time.

(g) During a remote reassessment, if the certified assessor determines an in-person reassessment is necessary in order to complete the assessment, the lead agency shall schedule an in-person reassessment.

(h) All other requirements of an in-person reassessment apply to a remote reassessment, including updates to a person's support plan.

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

Sec. 12. Minnesota Statutes 2024, section 256B.0911, subdivision 25, is amended to read:

Subd. 25. ~~Reassessments~~ **Reassessment frequency for Rule 185 case management and waiver services.** (a) Unless otherwise required by federal law, the county agency is not required to conduct or arrange for an annual needs reassessment by a certified assessor for people receiving Rule 185 case management under Minnesota Rules, part 9525.0016. The case manager who works on behalf of the person to identify the person's needs and to minimize the impact of the disability on the person's life must instead develop a person-centered service plan based on the person's assessed needs and preferences. The person-centered service plan must be reviewed annually for persons with developmental disabilities who are receiving only case management services under Minnesota Rules, part 9525.0016, and who make an informed choice to decline an assessment under this section.

(b) A lead agency must conduct or arrange for a nonabbreviated reassessment at least once every three years for each person who is receiving developmental disability waiver services under section 256B.092 or community access for disability inclusion, community alternative care, or brain injury waiver services under section 256B.49. The person or the person's legal representative may request a nonabbreviated reassessment at any time.

(c) Unless otherwise required by federal law, for people with no significant changes in function or needs who are older than 21 years of age and younger than 65 years of age and who are receiving developmental disability waiver services under section 256B.092 or community access for disability inclusion, community alternative care, or brain injury waiver services under section 256B.49, the lead agency may conduct or arrange for an annual abbreviated assessment by the lead agency using a tool approved by the commissioner. A person or the person's legal representative must make an informed choice to accept an annual

9.1 abbreviated assessment in lieu of annual reassessment. An abbreviated assessment conducted
9.2 under this paragraph must:

9.3 (1) verify current assessed needs;

9.4 (2) confirm continued need for current level of care;

9.5 (3) inform the person of alternatives available under the waiver;

9.6 (4) provide informed choice of institutional or home and community-based services;

9.7 (5) screen for a change in need that may warrant a nonabbreviated reassessment;

9.8 (6) review the person-centered services plan; and

9.9 (7) reauthorize services at current service levels.

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

9.13 Sec. 13. Minnesota Statutes 2024, section 256B.092, subdivision 1a, is amended to read:

9.14 Subd. 1a. **Case management services.** (a) Each recipient of a home and community-based
9.15 waiver shall be provided case management services by qualified vendors as described in
9.16 the federally approved waiver application.

9.17 (b) Case management service activities provided to or arranged for a person include:

9.18 (1) development of the person-centered support plan under subdivision 1b;

9.19 (2) informing the individual or the individual's legal guardian or conservator, or parent
9.20 if the person is a minor, of service options, including all service options available under the
9.21 waiver plan;

9.22 (3) consulting with relevant medical experts or service providers;

9.23 (4) assisting the person in the identification of potential providers of chosen services,
9.24 including:

9.25 (i) providers of services provided in a non-disability-specific setting;

9.26 (ii) employment service providers;

9.27 (iii) providers of services provided in settings that are not controlled by a provider; and

9.28 (iv) providers of financial management services;

9.29 (5) assisting the person to access services and assisting in appeals under section 256.045;

- 10.1 (6) coordination of services, if coordination is not provided by another service provider;
- 10.2 (7) evaluation and monitoring of the services identified in the support plan, which must
- 10.3 incorporate at least one annual face-to-face visit by the case manager with each person; and
- 10.4 (8) reviewing support plans and providing the lead agency with recommendations for
- 10.5 service authorization based upon the individual's needs identified in the support plan.
- 10.6 (c) Case management service activities that are provided to the person with a
- 10.7 developmental disability shall be provided directly by county agencies or under contract.
- 10.8 If a county agency contracts for case management services, the county agency must provide
- 10.9 each recipient of home and community-based services who is receiving contracted case
- 10.10 management services with the contact information the recipient may use to file a grievance
- 10.11 with the county agency about the quality of the contracted services the recipient is receiving
- 10.12 from a county-contracted case manager. If a county agency provides case management
- 10.13 under contracts with other individuals or agencies and the county agency utilizes a
- 10.14 competitive proposal process for the procurement of contracted case management services,
- 10.15 the competitive proposal process must include evaluation criteria to ensure that the county
- 10.16 maintains a culturally responsive program for case management services adequate to meet
- 10.17 the needs of the population of the county. For the purposes of this section, "culturally
- 10.18 responsive program" means a case management services program that: (1) ensures effective,
- 10.19 equitable, comprehensive, and respectful quality care services that are responsive to
- 10.20 individuals within a specific population's values, beliefs, practices, health literacy, preferred
- 10.21 language, and other communication needs; and (2) is designed to address the unique needs
- 10.22 of individuals who share a common language or racial, ethnic, or social background.
- 10.23 (d) Case management services must be provided by a public or private agency that is
- 10.24 enrolled as a medical assistance provider determined by the commissioner to meet all of
- 10.25 the requirements in the approved federal waiver plans. Case management services must not
- 10.26 be provided to a recipient by a private agency that has a financial interest in the provision
- 10.27 of any other services included in the recipient's support plan. For purposes of this section,
- 10.28 "private agency" means any agency that is not identified as a lead agency under section
- 10.29 256B.0911, subdivision 10.
- 10.30 (e) Case managers are responsible for service provisions listed in paragraphs (a) and
- 10.31 (b). Case managers shall collaborate with consumers, families, legal representatives, and
- 10.32 relevant medical experts and service providers in the development and annual review of the
- 10.33 person-centered support plan and habilitation plan.

(f) For persons who need a positive support transition plan as required in chapter 245D, the case manager shall participate in the development and ongoing evaluation of the plan with the expanded support team. At least quarterly, the case manager, in consultation with the expanded support team, shall evaluate the effectiveness of the plan based on progress evaluation data submitted by the licensed provider to the case manager. The evaluation must identify whether the plan has been developed and implemented in a manner to achieve the following within the required timelines:

(1) phasing out the use of prohibited procedures;

(2) acquisition of skills needed to eliminate the prohibited procedures within the plan's timeline; and

(3) accomplishment of identified outcomes.

If adequate progress is not being made, the case manager shall consult with the person's expanded support team to identify needed modifications and whether additional professional support is required to provide consultation.

(g) The Department of Human Services shall offer ongoing education in case management to case managers. Case managers shall receive no less than 20 hours of case management education and disability-related training each year. The education and training must include person-centered planning, informed choice, informed decision making, cultural competency, employment planning, community living planning, self-direction options, and use of technology supports. Case managers must annually complete an informed choice curriculum and pass a competency evaluation, in a form determined by the commissioner, on informed decision-making standards. By August 1, 2024, all case managers must complete an employment support training course identified by the commissioner of human services. For case managers hired after August 1, 2024, this training must be completed within the first six months of providing case management services. For the purposes of this section, "person-centered planning" or "person-centered" has the meaning given in section 256B.0911, subdivision 10. Case managers must document completion of training in a system identified by the commissioner.

EFFECTIVE DATE. This section is effective August 1, 2025.

Sec. 14. Minnesota Statutes 2024, section 256B.092, subdivision 11a, is amended to read:

Subd. 11a. **Residential support services criteria.** (a) For the purposes of this subdivision, "residential support services" means the following residential support services reimbursed

12.1 under section 256B.4914: community residential services, customized living services, and
12.2 24-hour customized living services.

12.3 (b) In order to increase independent living options for people with disabilities and in
12.4 accordance with section 256B.4905, subdivisions ~~3 and 4~~ 7 and 8, and consistent with
12.5 section 245A.03, subdivision 7, the commissioner must establish and implement criteria to
12.6 access residential support services. The criteria for accessing residential support services
12.7 must prohibit the commissioner from authorizing residential support services unless at least
12.8 all of the following conditions are met:

12.9 (1) the individual has complex behavioral health or complex medical needs; and

12.10 (2) the individual's service planning team has considered all other available residential
12.11 service options and determined that those options are inappropriate to meet the individual's
12.12 support needs.

12.13 (c) Nothing in this subdivision shall be construed as permitting the commissioner to
12.14 establish criteria prohibiting the authorization of residential support services for individuals
12.15 described in the statewide priorities established in subdivision 12, the transition populations
12.16 in subdivision 13, and the licensing moratorium exception criteria under section 245A.03,
12.17 subdivision 7, paragraph (a).

12.18 (d) Individuals with active service agreements for residential support services on the
12.19 date that the criteria for accessing residential support services become effective are exempt
12.20 from the requirements of this subdivision, and the exemption from the criteria for accessing
12.21 residential support services continues to apply for renewals of those service agreements.

12.22 **EFFECTIVE DATE.** This section is effective 90 days following federal approval of
12.23 Laws 2021, First Special Session chapter 7, article 13, section 18.

12.24 Sec. 15. Minnesota Statutes 2024, section 256B.49, subdivision 13, is amended to read:

12.25 Subd. 13. **Case management.** (a) Each recipient of a home and community-based waiver
12.26 shall be provided case management services by qualified vendors as described in the federally
12.27 approved waiver application. The case management service activities provided must include:

12.28 (1) finalizing the person-centered written support plan within the timelines established
12.29 by the commissioner and section 256B.0911, subdivision 29;

12.30 (2) informing the recipient or the recipient's legal guardian or conservator of service
12.31 options, including all service options available under the waiver plans;

- 13.1 (3) assisting the recipient in the identification of potential service providers of chosen
13.2 services, including:
- 13.3 (i) available options for case management service and providers;
- 13.4 (ii) providers of services provided in a non-disability-specific setting;
- 13.5 (iii) employment service providers;
- 13.6 (iv) providers of services provided in settings that are not community residential settings;
- 13.7 and
- 13.8 (v) providers of financial management services;
- 13.9 (4) assisting the recipient to access services and assisting with appeals under section
13.10 256.045; and
- 13.11 (5) coordinating, evaluating, and monitoring of the services identified in the service
13.12 plan.
- 13.13 (b) The case manager may delegate certain aspects of the case management service
13.14 activities to another individual provided there is oversight by the case manager. The case
13.15 manager may not delegate those aspects which require professional judgment including:
- 13.16 (1) finalizing the person-centered support plan;
- 13.17 (2) ongoing assessment and monitoring of the person's needs and adequacy of the
13.18 approved person-centered support plan; and
- 13.19 (3) adjustments to the person-centered support plan.
- 13.20 (c) Case management services must be provided by a public or private agency that is
13.21 enrolled as a medical assistance provider determined by the commissioner to meet all of
13.22 the requirements in the approved federal waiver plans. If a county agency provides case
13.23 management under contracts with other individuals or agencies and the county agency
13.24 utilizes a competitive proposal process for the procurement of contracted case management
13.25 services, the competitive proposal process must include evaluation criteria to ensure that
13.26 the county maintains a culturally responsive program for case management services adequate
13.27 to meet the needs of the population of the county. For the purposes of this section, "culturally
13.28 responsive program" means a case management services program that: (1) ensures effective,
13.29 equitable, comprehensive, and respectful quality care services that are responsive to
13.30 individuals within a specific population's values, beliefs, practices, health literacy, preferred
13.31 language, and other communication needs; and (2) is designed to address the unique needs
13.32 of individuals who share a common language or racial, ethnic, or social background.

(d) Case management services must not be provided to a recipient by a private agency that has any financial interest in the provision of any other services included in the recipient's support plan. For purposes of this section, "private agency" means any agency that is not identified as a lead agency under section 256B.0911, subdivision 10.

(e) For persons who need a positive support transition plan as required in chapter 245D, the case manager shall participate in the development and ongoing evaluation of the plan with the expanded support team. At least quarterly, the case manager, in consultation with the expanded support team, shall evaluate the effectiveness of the plan based on progress evaluation data submitted by the licensed provider to the case manager. The evaluation must identify whether the plan has been developed and implemented in a manner to achieve the following within the required timelines:

(1) phasing out the use of prohibited procedures;

(2) acquisition of skills needed to eliminate the prohibited procedures within the plan's timeline; and

(3) accomplishment of identified outcomes.

If adequate progress is not being made, the case manager shall consult with the person's expanded support team to identify needed modifications and whether additional professional support is required to provide consultation.

(f) The Department of Human Services shall offer ongoing education in case management to case managers. Case managers shall receive no less than 20 hours of case management education and disability-related training each year. The education and training must include person-centered planning, informed choice, informed decision making, cultural competency, employment planning, community living planning, self-direction options, and use of technology supports. Case managers must annually complete an informed choice curriculum and pass a competency evaluation, in a form determined by the commissioner, on informed decision-making standards. By August 1, 2024, all case managers must complete an employment support training course identified by the commissioner of human services. For case managers hired after August 1, 2024, this training must be completed within the first six months of providing case management services. For the purposes of this section, "person-centered planning" or "person-centered" has the meaning given in section 256B.0911, subdivision 10. Case managers shall document completion of training in a system identified by the commissioner.

EFFECTIVE DATE. This section is effective August 1, 2025.

15.1 Sec. 16. Minnesota Statutes 2024, section 256B.49, subdivision 29, is amended to read:

15.2 Subd. 29. **Residential support services criteria.** (a) For the purposes of this subdivision,
15.3 "residential support services" means the following residential support services reimbursed
15.4 under section 256B.4914: community residential services, customized living services, and
15.5 24-hour customized living services.

15.6 (b) In order to increase independent living options for people with disabilities and in
15.7 accordance with section 256B.4905, subdivisions ~~3 and 4~~ 7 and 8, and consistent with
15.8 section 245A.03, subdivision 7, the commissioner must establish and implement criteria to
15.9 access residential support services. The criteria for accessing residential support services
15.10 must prohibit the commissioner from authorizing residential support services unless at least
15.11 all of the following conditions are met:

15.12 (1) the individual has complex behavioral health or complex medical needs; and

15.13 (2) the individual's service planning team has considered all other available residential
15.14 service options and determined that those options are inappropriate to meet the individual's
15.15 support needs.

15.16 (c) Nothing in this subdivision shall be construed as permitting the commissioner to
15.17 establish criteria prohibiting the authorization of residential support services for individuals
15.18 described in the statewide priorities established in subdivision ~~12~~ 11a, the transition
15.19 populations in subdivision ~~13~~ 24, and the licensing moratorium exception criteria under
15.20 section 245A.03, subdivision 7, paragraph (a).

15.21 ~~(e)~~ (d) Individuals with active service agreements for residential support services on the
15.22 date that the criteria for accessing residential support services become effective are exempt
15.23 from the requirements of this subdivision, and the exemption from the criteria for accessing
15.24 residential support services continues to apply for renewals of those service agreements.

15.25 **EFFECTIVE DATE.** This section is effective 90 days following federal approval of
15.26 Laws 2021, First Special Session chapter 7, article 13, section 30.

15.27 Sec. 17. Minnesota Statutes 2024, section 256B.4914, subdivision 10a, is amended to
15.28 read:

15.29 Subd. 10a. **Reporting and analysis of cost data.** (a) The commissioner must ensure
15.30 that wage values and component values in subdivisions 5 to 9 reflect the cost to provide the
15.31 service. As determined by the commissioner, in consultation with stakeholders identified
15.32 in subdivision 17, a provider enrolled to provide services with rates determined under this
15.33 section must submit requested cost data to the commissioner to support research on the cost

16.1 of providing services that have rates determined by the disability waiver rates system.

16.2 Requested cost data may include, but is not limited to:

16.3 (1) worker wage costs;

16.4 (2) benefits paid;

16.5 (3) supervisor wage costs;

16.6 (4) executive wage costs;

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

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

16.9 (7) administrative costs paid;

16.10 (8) program costs paid;

16.11 (9) transportation costs paid;

16.12 (10) vacancy rates; and

16.13 (11) other data relating to costs required to provide services requested by the

16.14 commissioner.

16.15 (b) At least once in any five-year period, a provider must submit cost data for a fiscal
16.16 year that ended not more than 18 months prior to the submission date. The commissioner
16.17 shall provide each provider a 90-day notice prior to its submission due date. If a provider
16.18 fails to submit required reporting data, the commissioner shall provide notice to providers
16.19 that have not provided required data 30 days after the required submission date, and a second
16.20 notice for providers who have not provided required data 60 days after the required
16.21 submission date. The commissioner shall temporarily suspend payments to the provider if
16.22 cost data is not received 90 days after the required submission date. Withheld payments
16.23 shall be made once data is received by the commissioner.

16.24 (c) The commissioner shall conduct a random validation of data submitted under
16.25 paragraph (a) to ensure data accuracy. The commissioner shall analyze cost documentation
16.26 in paragraph (a) and provide recommendations for adjustments to cost components.

16.27 (d) The commissioner shall analyze cost data submitted under paragraph (a). The
16.28 commissioner shall release cost data in an aggregate form. Cost data from individual
16.29 providers must not be released except as provided for in current law.

16.30 (e) Beginning January 1, 2029, the commissioner shall use data collected in paragraph
16.31 (a) to determine the compliance with requirements identified under subdivision 10d. The

17.1 commissioner shall identify providers who have not met the thresholds identified under
17.2 subdivision 10d on the Department of Human Services website for the year for which the
17.3 providers reported their costs.

17.4 **EFFECTIVE DATE.** This section is effective retroactive to January 1, 2025.

17.5 Sec. 18. Minnesota Statutes 2024, section 256B.4914, subdivision 10d, is amended to
17.6 read:

17.7 Subd. 10d. **Direct care staff; compensation.** (a) A provider paid with rates determined
17.8 under subdivision 6 must use a minimum of 66 percent of the revenue generated by rates
17.9 determined under that subdivision for direct care staff compensation.

17.10 (b) A provider paid with rates determined under subdivision 7 must use a minimum of
17.11 45 percent of the revenue generated by rates determined under that subdivision for direct
17.12 care staff compensation.

17.13 (c) A provider paid with rates determined under subdivision 8 or 9 must use a minimum
17.14 of 60 percent of the revenue generated by rates determined under those subdivisions for
17.15 direct care staff compensation.

17.16 (d) Compensation under this subdivision includes:

17.17 (1) wages;

17.18 (2) taxes and workers' compensation;

17.19 (3) health insurance;

17.20 (4) dental insurance;

17.21 (5) vision insurance;

17.22 (6) life insurance;

17.23 (7) short-term disability insurance;

17.24 (8) long-term disability insurance;

17.25 (9) retirement spending;

17.26 (10) tuition reimbursement;

17.27 (11) wellness programs;

17.28 (12) paid vacation time;

17.29 (13) paid sick time; or

18.1 (14) other items of monetary value provided to direct care staff.

18.2 (e) This subdivision does not apply to a provider licensed as an assisted living facility
18.3 by the commissioner of health under chapter 144G.

18.4 (f) This subdivision is effective January 1, 2029, and applies to services provided on or
18.5 after that date.

18.6 **EFFECTIVE DATE.** This section is effective retroactive to January 1, 2025.

18.7 Sec. 19. Minnesota Statutes 2024, section 256B.4914, subdivision 17, is amended to read:

18.8 Subd. 17. **Stakeholder consultation and county training.** (a) The commissioner shall
18.9 continue consultation at regular intervals with the existing stakeholder group established
18.10 as part of the rate-setting methodology process and others, to gather input, concerns, and
18.11 data, to assist in the implementation of the rate payment system, and to make pertinent
18.12 information available to the public through the department's website.

18.13 (b) The commissioner shall offer training at least annually for county personnel
18.14 responsible for administering the rate-setting framework in a manner consistent with this
18.15 section.

18.16 (c) The commissioner shall maintain an online instruction manual explaining the
18.17 rate-setting framework. The manual shall be consistent with this section, and shall be
18.18 accessible to all stakeholders including recipients, representatives of recipients, county or
18.19 Tribal agencies, and license holders.

18.20 (d) The commissioner shall not defer to the county or Tribal agency on matters of
18.21 technical application of the rate-setting framework, and a county or Tribal agency shall not
18.22 set rates in a manner that conflicts with this section.

18.23 (e) The commissioner must consult with existing stakeholder groups as required under
18.24 this subdivision to periodically review, update, and revise the format by which initiators of
18.25 rate exception requests and lead agencies collect and submit information about individuals
18.26 with exceptional needs under subdivision 14.

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

18.28 Sec. 20. Minnesota Statutes 2024, section 256R.38, is amended to read:

18.29 **256R.38 PERFORMANCE-BASED INCENTIVE PAYMENTS.**

18.30 The commissioner shall develop additional incentive-based payments of up to five
18.31 percent above a facility's operating payment rate for achieving outcomes specified in a

contract. The commissioner may solicit proposals and select those which, on a competitive basis, best meet the state's policy objectives. The commissioner shall limit the amount of any incentive payment and the number of contract amendments under this section to operate the incentive payments within funds appropriated for this purpose. The commissioner shall approve proposals through a memorandum of understanding which shall specify various levels of payment for various levels of performance. Incentive payments to facilities under this section shall be in the form of time-limited rate adjustments which shall be included in the external fixed costs payment rate under section 256R.25. In establishing the specified outcomes and related criteria, the commissioner shall consider the following state policy objectives:

(1) successful diversion or discharge of residents to the residents' prior home or other community-based alternatives;

(2) adoption of new technology to improve quality or efficiency;

(3) improved quality as measured in the Minnesota Nursing Home Report Card;

(4) reduced acute care costs; and

(5) any additional outcomes proposed by a nursing facility that the commissioner finds desirable.

Sec. 21. Minnesota Statutes 2024, section 256R.40, subdivision 5, is amended to read:

Subd. 5. **Planned closure rate adjustment.** (a) The commissioner shall calculate the amount of the planned closure rate adjustment available under subdivision 6 according to clauses (1) to (4):

(1) the amount available is the net reduction of nursing facility beds multiplied by \$2,080;

(2) the total number of beds in the nursing facility or facilities receiving the planned closure rate adjustment must be identified;

(3) capacity days are determined by multiplying the number determined under clause (2) by 365; and

(4) the planned closure rate adjustment is the amount available in clause (1), divided by capacity days determined under clause (3).

(b) A planned closure rate adjustment under this section is effective on the first day of the month of January or July, whichever occurs immediately following completion of closure of the facility designated for closure in the application and becomes part of the nursing facility's external fixed costs payment rate.

(c) Upon the request of a closing facility, the commissioner must allow the facility a closure rate adjustment as provided under section 144A.161, subdivision 10.

(d) A facility that has received a planned closure rate adjustment may reassign it to another facility that is under the same ownership at any time within three years of its effective date. The amount of the adjustment is computed according to paragraph (a).

(e) If the per bed dollar amount specified in paragraph (a), clause (1), is increased, the commissioner shall recalculate planned closure rate adjustments for facilities that delicense beds under this section on or after July 1, 2001, to reflect the increase in the per bed dollar amount. The recalculated planned closure rate adjustment is effective from the date the per bed dollar amount is increased.

ARTICLE 2

DEPARTMENT OF HEALTH POLICY

Section 1. Minnesota Statutes 2024, section 144.0724, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings given.

(a) "Assessment reference date" or "ARD" means the specific end point for look-back periods in the MDS assessment process. This look-back period is also called the observation or assessment period.

(b) "Case mix index" means the weighting factors assigned to the case mix reimbursement classifications determined by an assessment.

(c) "Index maximization" means classifying a resident who could be assigned to more than one category, to the category with the highest case mix index.

(d) "Minimum Data Set" or "MDS" means a core set of screening, clinical assessment, and functional status elements, that include common definitions and coding categories specified by the Centers for Medicare and Medicaid Services and designated by the Department of Health.

(e) "Representative" means a person who is the resident's guardian or conservator, the person authorized to pay the nursing home expenses of the resident, a representative of the Office of Ombudsman for Long-Term Care whose assistance has been requested, or any other individual designated by the resident.

(f) "Activities of daily living" or "ADL" includes personal hygiene, dressing, bathing, transferring, bed mobility, locomotion, eating, and toileting.

21.1 (g) "Patient Driven Payment Model" or "PDPM" means the case mix reimbursement
 21.2 classification system for residents in nursing facilities according to the resident's condition,
 21.3 diagnosis, and the care the resident is receiving as reflected in data supplied in the facility's
 21.4 MDS with an ARD on or after October 1, 2025.

21.5 ~~(g)~~ (h) "Nursing facility level of care determination" means the assessment process that
 21.6 results in a determination of a resident's or prospective resident's need for nursing facility
 21.7 level of care as established in subdivision 11 for purposes of medical assistance payment
 21.8 of long-term care services for:

21.9 (1) nursing facility services under chapter 256R;

21.10 (2) elderly waiver services under chapter 256S;

21.11 (3) CADI and BI waiver services under section 256B.49; and

21.12 (4) state payment of alternative care services under section 256B.0913.

21.13 (i) "Resource utilization groups" or "RUG" means the case mix reimbursement
 21.14 classification system for residents in nursing facilities according to the resident's clinical
 21.15 and functional status as reflected in data supplied by the facility's MDS with an ARD on or
 21.16 prior to September 30, 2025.

21.17 **EFFECTIVE DATE.** This section is effective October 1, 2025, and applies to
 21.18 assessments conducted on or after that date.

21.19 Sec. 2. Minnesota Statutes 2024, section 144.0724, subdivision 3a, is amended to read:

21.20 Subd. 3a. **Resident case mix reimbursement classifications.** (a) Resident case mix
 21.21 reimbursement classifications shall be based on the Minimum Data Set, version 3.0
 21.22 assessment instrument, or its successor version mandated by the Centers for Medicare and
 21.23 Medicaid Services that nursing facilities are required to complete for all residents. Case
 21.24 mix reimbursement classifications shall also be based on assessments required under
 21.25 subdivision 4. Assessments must be completed according to the Long Term Care Facility
 21.26 Resident Assessment Instrument User's Manual Version 3.0 or a successor manual issued
 21.27 by the Centers for Medicare and Medicaid Services. ~~The optional state assessment must be~~
 21.28 ~~completed according to the OSA Manual Version 1.0 v.2.~~

21.29 (b) Each resident must be classified based on the information from the Minimum Data
 21.30 Set according to the general categories issued by the Minnesota Department of Health,
 21.31 utilized for reimbursement purposes.

22.1 **EFFECTIVE DATE.** This section is effective October 1, 2025, and applies to
22.2 assessments conducted on or after that date.

22.3 Sec. 3. Minnesota Statutes 2024, section 144.0724, subdivision 4, is amended to read:

22.4 Subd. 4. **Resident assessment schedule.** (a) A facility must conduct and electronically
22.5 submit to the federal database MDS assessments that conform with the assessment schedule
22.6 defined by the Long Term Care Facility Resident Assessment Instrument User's Manual,
22.7 version 3.0, or its successor issued by the Centers for Medicare and Medicaid Services. The
22.8 commissioner of health may substitute successor manuals or question and answer documents
22.9 published by the United States Department of Health and Human Services, Centers for
22.10 Medicare and Medicaid Services, to replace or supplement the current version of the manual
22.11 or document.

22.12 (b) The assessments required ~~under the Omnibus Budget Reconciliation Act of 1987~~
22.13 ~~(OBRA)~~ used to determine a case mix reimbursement classification include:

22.14 (1) a new admission comprehensive assessment, which must have an assessment reference
22.15 date (ARD) within 14 calendar days after admission, excluding readmissions;

22.16 (2) an annual comprehensive assessment, which must have an ARD within 92 days of
22.17 a previous quarterly review assessment or a previous comprehensive assessment, which
22.18 must occur at least once every 366 days;

22.19 (3) a significant change in status comprehensive assessment, which must have an ARD
22.20 within 14 days after the facility determines, or should have determined, that there has been
22.21 a significant change in the resident's physical or mental condition, whether an improvement
22.22 or a decline, and regardless of the amount of time since the last comprehensive assessment
22.23 or quarterly review assessment;

22.24 (4) a significant change in status comprehensive assessment when isolation for an
22.25 infectious disease has ended. If isolation was not coded on the most recent assessment
22.26 completed, then the significant change in status comprehensive assessment under this clause
22.27 is not required. The ARD for assessments under this clause must be set on day 15 after
22.28 isolation has ended;

22.29 (5) a quarterly review assessment must have an ARD within 92 days of the ARD of the
22.30 previous quarterly review assessment or a previous comprehensive assessment;

22.31 ~~(5)~~ (6) any significant correction to a prior comprehensive assessment, if the assessment
22.32 being corrected is the current one being used for reimbursement classification;

23.1 ~~(6)~~ (7) any significant correction to a prior quarterly review assessment, if the assessment
23.2 being corrected is the current one being used for reimbursement classification; and

23.3 ~~(7)~~ (8) any modifications to the most recent assessments under clauses (1) to ~~(6)~~ (7).

23.4 (c) ~~The optional state assessment must accompany all OBRA assessments. The optional~~
23.5 ~~state assessment is also required to determine reimbursement when:~~

23.6 ~~(1) all speech, occupational, and physical therapies have ended. If the most recent optional~~
23.7 ~~state assessment completed does not result in a rehabilitation case mix reimbursement~~
23.8 ~~classification, then the optional state assessment is not required. The ARD of this assessment~~
23.9 ~~must be set on day eight after all therapy services have ended; and~~

23.10 ~~(2) isolation for an infectious disease has ended. If isolation was not coded on the most~~
23.11 ~~recent optional state assessment completed, then the optional state assessment is not required.~~
23.12 ~~The ARD of this assessment must be set on day 15 after isolation has ended.~~

23.13 ~~(d)~~ In addition to the assessments listed in ~~paragraphs~~ paragraph (b) and ~~(e)~~, the
23.14 assessments used to determine nursing facility level of care include the following:

23.15 (1) preadmission screening completed under section 256.975, subdivisions 7a to 7c, by
23.16 the Senior LinkAge Line or other organization under contract with the Minnesota Board on
23.17 Aging; and

23.18 (2) a nursing facility level of care determination as provided for under section 256B.0911,
23.19 subdivision 26, as part of a face-to-face long-term care consultation assessment completed
23.20 under section 256B.0911, by a county, tribe, or managed care organization under contract
23.21 with the Department of Human Services.

23.22 **EFFECTIVE DATE.** This section is effective October 1, 2025, and applies to
23.23 assessments conducted on or after that date.

23.24 Sec. 4. Minnesota Statutes 2024, section 144.0724, subdivision 8, is amended to read:

23.25 Subd. 8. **Request for reconsideration of resident classifications.** (a) The resident, the
23.26 resident's representative, the nursing facility, or the boarding care home may request that
23.27 the commissioner of health reconsider the assigned case mix reimbursement classification
23.28 and any item or items changed during the audit process. The request for reconsideration
23.29 must be submitted in writing to the commissioner of health.

23.30 (b) For reconsideration requests initiated by the resident or the resident's representative:

24.1 (1) The resident or the resident's representative must submit in writing a reconsideration
24.2 request to the facility administrator within 30 days of receipt of the resident classification
24.3 notice. The written request must include the reasons for the reconsideration request.

24.4 (2) Within three business days of receiving the reconsideration request, the nursing
24.5 facility must submit to the commissioner of health a completed reconsideration request
24.6 form, a copy of the resident's or resident's representative's written request, and all supporting
24.7 documentation used to complete the assessment being reconsidered. If the facility fails to
24.8 provide the required information, the reconsideration will be completed with the information
24.9 submitted and the facility cannot make further reconsideration requests on this classification.

24.10 (3) Upon written request and within three business days, the nursing facility must give
24.11 the resident or the resident's representative a copy of the assessment being reconsidered and
24.12 all supporting documentation used to complete the assessment. Notwithstanding any law
24.13 to the contrary, the facility may not charge a fee for providing copies of the requested
24.14 documentation. If a facility fails to provide the required documents within this time, it is
24.15 subject to the issuance of a correction order and penalty assessment under sections 144.653
24.16 and 144A.10. Notwithstanding those sections, any correction order issued under this
24.17 subdivision must require that the nursing facility immediately comply with the request for
24.18 information, and as of the date of the issuance of the correction order, the facility shall
24.19 forfeit to the state a \$100 fine for the first day of noncompliance, and an increase in the
24.20 \$100 fine by \$50 increments for each day the noncompliance continues.

24.21 (c) For reconsideration requests initiated by the facility:

24.22 (1) The facility is required to inform the resident or the resident's representative in writing
24.23 that a reconsideration of the resident's case mix reimbursement classification is being
24.24 requested. The notice must inform the resident or the resident's representative:

24.25 (i) of the date and reason for the reconsideration request;

24.26 (ii) of the potential for a case mix reimbursement classification change and subsequent
24.27 rate change;

24.28 (iii) of the extent of the potential rate change;

24.29 (iv) that copies of the request and supporting documentation are available for review;

24.30 and

24.31 (v) that the resident or the resident's representative has the right to request a
24.32 reconsideration also.

(2) Within 30 days of receipt of the audit exit report or resident classification notice, the facility must submit to the commissioner of health a completed reconsideration request form, all supporting documentation used to complete the assessment being reconsidered, and a copy of the notice informing the resident or the resident's representative that a reconsideration of the resident's classification is being requested.

(3) If the facility fails to provide the required information, the reconsideration request may be denied and the facility may not make further reconsideration requests on this classification.

(d) Reconsideration by the commissioner must be made by individuals not involved in reviewing the assessment, audit, or reconsideration that established the disputed classification. The reconsideration must be based upon the assessment that determined the classification and upon the information provided to the commissioner of health under paragraphs (a) to (c). If necessary for evaluating the reconsideration request, the commissioner may conduct on-site reviews. Within 15 business days of receiving the request for reconsideration, the commissioner shall affirm or modify the original resident classification. The original classification must be modified if the commissioner determines that the assessment resulting in the classification did not accurately reflect characteristics of the resident at the time of the assessment. The commissioner must transmit the reconsideration classification notice by electronic means to the nursing facility. The nursing facility is responsible for the distribution of the notice to the resident or the resident's representative. The notice must be distributed by the nursing facility within three business days after receipt. A decision by the commissioner under this subdivision is the final administrative decision of the agency for the party requesting reconsideration.

(e) The case mix reimbursement classification established by the commissioner shall be the classification which applies to the resident while the request for reconsideration is pending. If a request for reconsideration applies to an assessment used to determine nursing facility level of care under subdivision 4, paragraph ~~(d)~~ (c), the resident shall continue to be eligible for nursing facility level of care while the request for reconsideration is pending.

(f) The commissioner may request additional documentation regarding a reconsideration necessary to make an accurate reconsideration determination.

(g) Data collected as part of the reconsideration process under this section is classified as private data on individuals and nonpublic data pursuant to section 13.02. Notwithstanding the classification of these data as private or nonpublic, the commissioner is authorized to

26.1 share these data with the U.S. Centers for Medicare and Medicaid Services and the
26.2 commissioner of human services as necessary for reimbursement purposes.

26.3 **EFFECTIVE DATE.** This section is effective October 1, 2025, and applies to
26.4 assessments conducted on or after that date.

26.5 Sec. 5. Minnesota Statutes 2024, section 144.0724, subdivision 9, is amended to read:

26.6 Subd. 9. **Audit authority.** (a) The commissioner shall audit the accuracy of resident
26.7 assessments performed under section 256R.17 through any of the following: desk audits;
26.8 on-site review of residents and their records; and interviews with staff, residents, or residents'
26.9 families. The commissioner shall reclassify a resident if the commissioner determines that
26.10 the resident was incorrectly classified.

26.11 (b) The commissioner is authorized to conduct on-site audits on an unannounced basis.

26.12 (c) A facility must grant the commissioner access to examine the medical records relating
26.13 to the resident assessments selected for audit under this subdivision. The commissioner may
26.14 also observe and speak to facility staff and residents.

26.15 (d) The commissioner shall consider documentation under the time frames for coding
26.16 items on the minimum data set as set out in the Long-Term Care Facility Resident Assessment
26.17 Instrument User's Manual ~~or OSA Manual version 1.0 v.2 published by the Centers for~~
26.18 ~~Medicare and Medicaid Services.~~

26.19 (e) The commissioner shall develop an audit selection procedure that includes the
26.20 following factors:

26.21 (1) Each facility shall be audited annually. If a facility has two successive audits in which
26.22 the percentage of change is five percent or less and the facility has not been the subject of
26.23 a special audit in the past 36 months, the facility may be audited biannually. A stratified
26.24 sample of 15 percent, with a minimum of ten assessments, of the most current assessments
26.25 shall be selected for audit. If more than 20 percent of the case mix reimbursement
26.26 classifications are changed as a result of the audit, the audit shall be expanded to a second
26.27 15 percent sample, with a minimum of ten assessments. If the total change between the first
26.28 and second samples is 35 percent or greater, the commissioner may expand the audit to all
26.29 of the remaining assessments.

26.30 (2) If a facility qualifies for an expanded audit, the commissioner may audit the facility
26.31 again within six months. If a facility has two expanded audits within a 24-month period,
26.32 that facility will be audited at least every six months for the next 18 months.

(3) The commissioner may conduct special audits if the commissioner determines that circumstances exist that could alter or affect the validity of case mix reimbursement classifications of residents. These circumstances include, but are not limited to, the following:

- (i) frequent changes in the administration or management of the facility;
- (ii) an unusually high percentage of residents in a specific case mix reimbursement classification;
- (iii) a high frequency in the number of reconsideration requests received from a facility;
- (iv) frequent adjustments of case mix reimbursement classifications as the result of reconsiderations or audits;
- (v) a criminal indictment alleging provider fraud;
- (vi) other similar factors that relate to a facility's ability to conduct accurate assessments;
- (vii) an atypical pattern of scoring minimum data set items;
- (viii) nonsubmission of assessments;
- (ix) late submission of assessments; or
- (x) a previous history of audit changes of 35 percent or greater.

(f) If the audit results in a case mix reimbursement classification change, the commissioner must transmit the audit classification notice by electronic means to the nursing facility within 15 business days of completing an audit. The nursing facility is responsible for distribution of the notice to each resident or the resident's representative. This notice must be distributed by the nursing facility within three business days after receipt. The notice must inform the resident of the case mix reimbursement classification assigned, the opportunity to review the documentation supporting the classification, the opportunity to obtain clarification from the commissioner, the opportunity to request a reconsideration of the classification, and the address and telephone number of the Office of Ombudsman for Long-Term Care.

EFFECTIVE DATE. This section is effective October 1, 2025, and applies to assessments conducted on or after that date.

Sec. 6. Minnesota Statutes 2024, section 144.0724, subdivision 11, is amended to read:

Subd. 11. **Nursing facility level of care.** (a) For purposes of medical assistance payment of long-term care services, a recipient must be determined, using assessments defined in subdivision 4, to meet one of the following nursing facility level of care criteria:

- 28.1 (1) the person requires formal clinical monitoring at least once per day;
- 28.2 (2) the person needs the assistance of another person or constant supervision to begin
28.3 and complete at least four of the following activities of living: bathing, bed mobility, dressing,
28.4 eating, grooming, toileting, transferring, and walking;
- 28.5 (3) the person needs the assistance of another person or constant supervision to begin
28.6 and complete toileting, transferring, or positioning and the assistance cannot be scheduled;
- 28.7 (4) the person has significant difficulty with memory, using information, daily decision
28.8 making, or behavioral needs that require intervention;
- 28.9 (5) the person has had a qualifying nursing facility stay of at least 90 days;
- 28.10 (6) the person meets the nursing facility level of care criteria determined 90 days after
28.11 admission or on the first quarterly assessment after admission, whichever is later; or
- 28.12 (7) the person is determined to be at risk for nursing facility admission or readmission
28.13 through a face-to-face long-term care consultation assessment as specified in section
28.14 256B.0911, subdivision 17 to 21, 23, 24, 27, or 28, by a county, tribe, or managed care
28.15 organization under contract with the Department of Human Services. The person is
28.16 considered at risk under this clause if the person currently lives alone or will live alone or
28.17 be homeless without the person's current housing and also meets one of the following criteria:
- 28.18 (i) the person has experienced a fall resulting in a fracture;
- 28.19 (ii) the person has been determined to be at risk of maltreatment or neglect, including
28.20 self-neglect; or
- 28.21 (iii) the person has a sensory impairment that substantially impacts functional ability
28.22 and maintenance of a community residence.
- 28.23 (b) The assessment used to establish medical assistance payment for nursing facility
28.24 services must be the most recent assessment performed under subdivision 4, ~~paragraphs~~
28.25 paragraph (b) and (e), that occurred no more than 90 calendar days before the effective date
28.26 of medical assistance eligibility for payment of long-term care services. In no case shall
28.27 medical assistance payment for long-term care services occur prior to the date of the
28.28 determination of nursing facility level of care.
- 28.29 (c) The assessment used to establish medical assistance payment for long-term care
28.30 services provided under chapter 256S and section 256B.49 and alternative care payment
28.31 for services provided under section 256B.0913 must be the most recent face-to-face
28.32 assessment performed under section 256B.0911, subdivisions 17 to 21, 23, 24, 27, or 28,

29.1 that occurred no more than 60 calendar days before the effective date of medical assistance
29.2 eligibility for payment of long-term care services.

29.3 **EFFECTIVE DATE.** This section is effective October 1, 2025, and applies to
29.4 assessments conducted on or after that date.

29.5 Sec. 7. Minnesota Statutes 2024, section 144.586, subdivision 2, is amended to read:

29.6 Subd. 2. **Postacute care discharge planning.** (a) Each hospital, including hospitals
29.7 designated as critical access hospitals, must comply with the federal hospital requirements
29.8 for discharge planning which include:

29.9 (1) conducting a discharge planning evaluation that includes an evaluation of:

29.10 (i) the likelihood of the patient needing posthospital services and of the availability of
29.11 those services; and

29.12 (ii) the patient's capacity for self-care or the possibility of the patient being cared for in
29.13 the environment from which the patient entered the hospital;

29.14 (2) timely completion of the discharge planning evaluation under clause (1) by hospital
29.15 personnel so that appropriate arrangements for posthospital care are made before discharge,
29.16 and to avoid unnecessary delays in discharge;

29.17 (3) including the discharge planning evaluation under clause (1) in the patient's medical
29.18 record for use in establishing an appropriate discharge plan. The hospital must discuss the
29.19 results of the evaluation with the patient or individual acting on behalf of the patient. The
29.20 hospital must reassess the patient's discharge plan if the hospital determines that there are
29.21 factors that may affect continuing care needs or the appropriateness of the discharge plan;
29.22 and

29.23 (4) providing counseling, as needed, for the patient and family members or interested
29.24 persons to prepare them for posthospital care. The hospital must provide a list of available
29.25 Medicare-eligible home care agencies or skilled nursing facilities that serve the patient's
29.26 geographic area, or other area requested by the patient if such care or placement is indicated
29.27 and appropriate. Once the patient has designated their preferred providers, the hospital will
29.28 assist the patient in securing care covered by their health plan or within the care network.
29.29 The hospital must not specify or otherwise limit the qualified providers that are available
29.30 to the patient. The hospital must document in the patient's record that the list was presented
29.31 to the patient or to the individual acting on the patient's behalf.

(b) Each hospital, including hospitals designated as critical access hospitals, must document in the patient's discharge plan any instances when a chemical, manual, or mechanical restraint was used to manage the patient's behavior prior to discharge, including the type of restraint, duration, and frequency. In cases where the patient is transferred to any licensed or registered provider, the hospital must notify the provider of the type of restraint, duration, and frequency of the restraint. Restraint has the meaning given in section 144G.08, subdivision 61a.

Sec. 8. Minnesota Statutes 2024, section 144.6502, subdivision 3, is amended to read:

Subd. 3. **Consent to electronic monitoring.** (a) Except as otherwise provided in this subdivision, a resident must consent to electronic monitoring in the resident's room or private living unit in writing on a notification and consent form. If the resident has not affirmatively objected to electronic monitoring and the resident representative attests that the resident's medical professional determines ~~determines~~ determined that the resident currently lacks the ability to understand and appreciate the nature and consequences of electronic monitoring, the resident representative may consent on behalf of the resident. For purposes of this subdivision, a resident affirmatively objects when the resident orally, visually, or through the use of auxiliary aids or services declines electronic monitoring. The resident's response must be documented on the notification and consent form.

(b) Prior to a resident representative consenting on behalf of a resident, the resident must be asked if the resident wants electronic monitoring to be conducted. The resident representative must explain to the resident:

(1) the type of electronic monitoring device to be used;

(2) the standard conditions that may be placed on the electronic monitoring device's use, including those listed in subdivision 6;

(3) with whom the recording may be shared under subdivision 10 or 11; and

(4) the resident's ability to decline all recording.

(c) A resident, or resident representative when consenting on behalf of the resident, may consent to electronic monitoring with any conditions of the resident's or resident representative's choosing, including the list of standard conditions provided in subdivision 6. A resident, or resident representative when consenting on behalf of the resident, may request that the electronic monitoring device be turned off or the visual or audio recording component of the electronic monitoring device be blocked at any time.

(d) Prior to implementing electronic monitoring, a resident, or resident representative when acting on behalf of the resident, must obtain the written consent on the notification and consent form of any other resident residing in the shared room or shared private living unit. A roommate's or roommate's resident representative's written consent must comply with the requirements of paragraphs (a) to (c). Consent by a roommate or a roommate's resident representative under this paragraph authorizes the resident's use of any recording obtained under this section, as provided under subdivision 10 or 11.

(e) Any resident conducting electronic monitoring must immediately remove or disable an electronic monitoring device prior to a new roommate moving into a shared room or shared private living unit, unless the resident obtains the roommate's or roommate's resident representative's written consent as provided under paragraph (d) prior to the roommate moving into the shared room or shared private living unit. Upon obtaining the new roommate's signed notification and consent form and submitting the form to the facility as required under subdivision 5, the resident may resume electronic monitoring.

(f) The resident or roommate, or the resident representative or roommate's resident representative if the representative is consenting on behalf of the resident or roommate, may withdraw consent at any time and the withdrawal of consent must be documented on the original consent form as provided under subdivision 5, paragraph (d).

Sec. 9. Minnesota Statutes 2024, section 144.6512, subdivision 3, is amended to read:

Subd. 3. **Retaliation against a resident.** A resident has the right to be free from retaliation. For purposes of this section, to retaliate against a resident includes but is not limited to any of the following actions taken or threatened by a nursing home or an agent of the nursing home against a resident, or any person with a familial, personal, legal, or professional relationship with the resident:

(1) a discharge or transfer;

(2) any form of discrimination;

(3) restriction or prohibition of access:

(i) of the resident to the nursing home or visitors; or

(ii) of a family member or a person with a personal, legal, or professional relationship with the resident, to the resident, unless the restriction is the result of a court order;

(4) the imposition of involuntary seclusion or the withholding of food, care, or services;

(5) restriction of any of the rights granted to residents under state or federal law;

32.1 (6) restriction or reduction of access to or use of amenities, care, services, privileges, or
32.2 living arrangements; or

32.3 (7) unauthorized removal, tampering with, or deprivation of technology, communication,
32.4 or electronic monitoring devices.

32.5 Sec. 10. Minnesota Statutes 2024, section 144.6512, is amended by adding a subdivision
32.6 to read:

32.7 Subd. 5a. **Other remedies.** In addition to the remedies otherwise provided by or available
32.8 under the law, a resident or a resident's legal representative may bring an action in district
32.9 court against a nursing home that retaliates against the resident in violation of this section.
32.10 The court may award damages, injunctive relief, and any other relief the court deems just
32.11 and equitable.

32.12 **EFFECTIVE DATE.** This section is effective August 1, 2025, and applies to causes
32.13 of action accruing on or after that date.

32.14 Sec. 11. Minnesota Statutes 2024, section 144A.04, is amended by adding a subdivision
32.15 to read:

32.16 Subd. 13. **Retaliation prevention training required.** All employees of a nursing home,
32.17 including managerial officials and licensed administrators, must participate in annual training
32.18 on the requirements of section 144.6512 and preventing retaliation against nursing home
32.19 residents.

32.20 Sec. 12. **[144A.104] PROHIBITED CONDITION FOR ADMISSION OR**
32.21 **CONTINUED RESIDENCE.**

32.22 A nursing home is prohibited from requiring a current or prospective resident to have
32.23 or obtain a guardian or conservator as a condition of admission to or continued residence
32.24 in the nursing home.

32.25 Sec. 13. Minnesota Statutes 2024, section 144A.70, subdivision 3, is amended to read:

32.26 Subd. 3. **Controlling person.** "Controlling person" means a business entity or entities,
32.27 officer, program administrator, or director, whose responsibilities include the management
32.28 and decision-making authority to establish or control business policy and all other policies
32.29 of a supplemental nursing services agency. Controlling person also means an individual
32.30 who, ~~directly or indirectly, beneficially owns an~~ has a direct ownership interest or indirect

33.1 ownership interest in a corporation, partnership, or other business association that is a
33.2 ~~controlling person~~ the registrant.

33.3 Sec. 14. Minnesota Statutes 2024, section 144A.70, is amended by adding a subdivision
33.4 to read:

33.5 Subd. 3a. **Direct ownership interest.** "Direct ownership interest" means an individual
33.6 or legal entity with at least five percent equity in capital, stock, or profits of the registrant
33.7 or who is a member of a limited liability company of the registrant.

33.8 Sec. 15. Minnesota Statutes 2024, section 144A.70, is amended by adding a subdivision
33.9 to read:

33.10 Subd. 4b. **Indirect ownership interest.** "Indirect ownership interest" means an individual
33.11 or legal entity with a direct ownership interest in an entity that has a direct or indirect
33.12 ownership interest of at least five percent in an entity that is a registrant.

33.13 Sec. 16. Minnesota Statutes 2024, section 144A.70, subdivision 7, is amended to read:

33.14 Subd. 7. **Oversight.** The commissioner is responsible for the oversight of supplemental
33.15 nursing services agencies through ~~semiannual~~ unannounced surveys every two years and
33.16 follow-up surveys, complaint investigations under sections 144A.51 to 144A.53, and other
33.17 actions necessary to ensure compliance with sections 144A.70 to 144A.74.

33.18 Sec. 17. Minnesota Statutes 2024, section 144A.751, subdivision 1, is amended to read:

33.19 Subdivision 1. **Statement of rights.** An individual who receives hospice care has the
33.20 right to:

33.21 (1) receive written information about rights in advance of receiving hospice care or
33.22 during the initial evaluation visit before the initiation of hospice care, including what to do
33.23 if rights are violated;

33.24 (2) receive care and services according to a suitable hospice plan of care and subject to
33.25 accepted hospice care standards and to take an active part in creating and changing the plan
33.26 and evaluating care and services;

33.27 (3) be told in advance of receiving care about the services that will be provided, the
33.28 disciplines that will furnish care, the frequency of visits proposed to be furnished, other
33.29 choices that are available, and the consequence of these choices, including the consequences
33.30 of refusing these services;

- 34.1 (4) be told in advance, whenever possible, of any change in the hospice plan of care and
34.2 to take an active part in any change;
- 34.3 (5) refuse services or treatment;
- 34.4 (6) know, in advance, any limits to the services available from a provider, and the
34.5 provider's grounds for a termination of services;
- 34.6 (7) know in advance of receiving care whether the hospice services may be covered by
34.7 health insurance, medical assistance, Medicare, or other health programs in which the
34.8 individual is enrolled;
- 34.9 (8) receive, upon request, a good faith estimate of the reimbursement the provider expects
34.10 to receive from the health plan company in which the individual is enrolled. A good faith
34.11 estimate must also be made available at the request of an individual who is not enrolled in
34.12 a health plan company. This payment information does not constitute a legally binding
34.13 estimate of the cost of services;
- 34.14 (9) know that there may be other services available in the community, including other
34.15 end of life services and other hospice providers, and know where to go for information
34.16 about these services;
- 34.17 (10) choose freely among available providers and change providers after services have
34.18 begun, within the limits of health insurance, medical assistance, Medicare, or other health
34.19 programs;
- 34.20 (11) have personal, financial, and medical information kept private and be advised of
34.21 the provider's policies and procedures regarding disclosure of such information;
- 34.22 (12) be allowed access to records and written information from records according to
34.23 sections 144.291 to 144.298;
- 34.24 (13) be served by people who are properly trained and competent to perform their duties;
- 34.25 (14) be treated with courtesy and respect and to have the patient's property treated with
34.26 respect;
- 34.27 (15) voice grievances regarding treatment or care that is, or fails to be, furnished or
34.28 regarding the lack of courtesy or respect to the patient or the patient's property;
- 34.29 (16) be free from physical and verbal abuse;
- 34.30 (17) reasonable, advance notice of changes in services or charges, including at least ten
34.31 days' advance notice of the termination of a service by a provider, except in cases where:

35.1 (i) the recipient of services engages in conduct that alters the conditions of employment
35.2 between the hospice provider and the individual providing hospice services, or creates an
35.3 abusive or unsafe work environment for the individual providing hospice services;

35.4 (ii) an emergency for the informal caregiver or a significant change in the recipient's
35.5 condition has resulted in service needs that exceed the current service provider agreement
35.6 and that cannot be safely met by the hospice provider; or

35.7 (iii) the recipient is no longer certified as terminally ill;

35.8 (18) a coordinated transfer when there will be a change in the provider of services;

35.9 (19) know how to contact an individual associated with the provider who is responsible
35.10 for handling problems and to have the provider investigate and attempt to resolve the
35.11 grievance or complaint;

35.12 (20) know the name and address of the state or county agency to contact for additional
35.13 information or assistance;

35.14 (21) assert these rights personally, or have them asserted by the hospice patient's family
35.15 when the patient has been judged incompetent, without retaliation; ~~and~~

35.16 (22) have pain and symptoms managed to the patient's desired level of comfort, including
35.17 ensuring appropriate pain medications are immediately available to the patient;

35.18 (23) revoke hospice election at any time; and

35.19 (24) receive curative treatment for any condition unrelated to the condition that qualified
35.20 the individual for hospice, while remaining on hospice election.

35.21 Sec. 18. Minnesota Statutes 2024, section 144G.08, is amended by adding a subdivision
35.22 to read:

35.23 Subd. 26a. **Imminent risk.** "Imminent risk" means an immediate and impending threat
35.24 to the health, safety, or rights of an individual.

35.25 **EFFECTIVE DATE.** This section is effective January 1, 2026.

35.26 Sec. 19. Minnesota Statutes 2024, section 144G.08, is amended by adding a subdivision
35.27 to read:

35.28 Subd. 54a. **Prone restraint.** "Prone restraint" means the use of manual restraint that
35.29 places a resident in a face-down position. Prone restraint does not include brief physical
35.30 holding of a resident who, during an emergency use of manual restraint, rolls into a prone

36.1 position, if the resident is restored to a standing, sitting, or side-lying position as quickly as
36.2 possible.

36.3 **EFFECTIVE DATE.** This section is effective January 1, 2026.

36.4 Sec. 20. Minnesota Statutes 2024, section 144G.08, is amended by adding a subdivision
36.5 to read:

36.6 Subd. 55a. **Registered nurse.** "Registered nurse" has the meaning given in section
36.7 148.171, subdivision 20, and includes advanced practice registered nurse as defined in
36.8 section 148.171, subdivision 3.

36.9 Sec. 21. Minnesota Statutes 2024, section 144G.08, is amended by adding a subdivision
36.10 to read:

36.11 Subd. 61a. **Restraint.** "Restraint" means:

36.12 (1) chemical restraint, as that term is defined in section 245D.02, subdivision 3b;

36.13 (2) manual restraint, as that term is defined in section 245D.02, subdivision 15a;

36.14 (3) mechanical restraint, as that term is defined in section 245D.02, subdivision 15b; or

36.15 (4) any other form of restraint that results in limiting the free and normal movement of
36.16 body or limbs.

36.17 **EFFECTIVE DATE.** This section is effective January 1, 2026.

36.18 Sec. 22. Minnesota Statutes 2024, section 144G.10, subdivision 1, is amended to read:

36.19 Subdivision 1. **License required.** (a)(1) Beginning August 1, 2021, no assisted living
36.20 facility may operate in Minnesota unless it is licensed under this chapter.

36.21 (2) No facility or building on a campus may provide assisted living services until
36.22 obtaining the required license under paragraphs (c) to (e).

36.23 (b) The licensee is legally responsible for the management, control, and operation of the
36.24 facility, regardless of the existence of a management agreement or subcontract. Nothing in
36.25 this chapter shall in any way affect the rights and remedies available under other law.

36.26 (c) Upon approving an application for an assisted living facility license, the commissioner
36.27 shall issue a single license for each building that is operated by the licensee as an assisted
36.28 living facility and is located at a separate address, except as provided under paragraph (d)
36.29 or (e). If a licensed assisted living facility wants a portion of the licensed assisted living
36.30 building to be utilized by an unlicensed entity or a different license type not granted under

chapter 144G, the licensed assisted living facility must ensure there is at least a vertical two-hour fire barrier constructed in accordance with the National Fire Protection Association, Standard 101 (Life Safety Code) between any licensed assisted living areas and unlicensed entity areas of the building and between the licensed assisted living areas and any licensed areas subject to another license type.

(d) Upon approving an application for an assisted living facility license, the commissioner may issue a single license for two or more buildings on a campus that are operated by the same licensee as an assisted living facility. An assisted living facility license for a campus must identify the address and licensed resident capacity of each building located on the campus in which assisted living services are provided.

(e) Upon approving an application for an assisted living facility license, the commissioner may:

(1) issue a single license for two or more buildings on a campus that are operated by the same licensee as an assisted living facility with dementia care, provided the assisted living facility for dementia care license for a campus identifies the buildings operating as assisted living facilities with dementia care; or

(2) issue a separate assisted living facility with dementia care license for a building that is on a campus and that is operating as an assisted living facility with dementia care.

Sec. 23. Minnesota Statutes 2024, section 144G.10, subdivision 1a, is amended to read:

Subd. 1a. **Assisted living director license required.** Each assisted living facility must employ an assisted living director licensed or permitted by the Board of Executives for Long Term Services and Supports and be affiliated as the director of record with the board.

Sec. 24. Minnesota Statutes 2024, section 144G.10, subdivision 5, is amended to read:

Subd. 5. **Protected title; restriction on use.** (a) Effective January 1, ~~2026~~ 2027, no person or entity may use the phrase "assisted living," whether alone or in combination with other words and whether orally or in writing, to: advertise; market; or otherwise describe, offer, or promote itself, or any housing, service, service package, or program that it provides within this state, unless the person or entity is a licensed assisted living facility that meets the requirements of this chapter. A person or entity entitled to use the phrase "assisted living" shall use the phrase only in the context of its participation that meets the requirements of this chapter.

38.1 (b) Effective January 1, ~~2026~~ 2027, the licensee's name for ~~a new~~ an assisted living
38.2 facility may not include the terms "home care" or "nursing home."

38.3 Sec. 25. Minnesota Statutes 2024, section 144G.15, is amended to read:

38.4 **144G.15 CONSIDERATION OF APPLICATIONS.**

38.5 (a) Before issuing a provisional license or license or renewing a license, the commissioner
38.6 shall consider an applicant's compliance history in providing care in this state or any other
38.7 state in a facility that provides care to children, the elderly, ill individuals, or individuals
38.8 with disabilities.

38.9 (b) The applicant's compliance history shall include repeat violation, rule violations, and
38.10 any license or certification involuntarily suspended or terminated during an enforcement
38.11 process.

38.12 (c) The commissioner may deny, revoke, suspend, restrict, or refuse to renew the license
38.13 or impose conditions if:

38.14 (1) the applicant fails to provide complete and accurate information on the application
38.15 and the commissioner concludes that the missing or corrected information is needed to
38.16 determine if a license shall be granted;

38.17 (2) the applicant, knowingly or with reason to know, made a false statement of a material
38.18 fact in an application for the license or any data attached to the application or in any matter
38.19 under investigation by the department;

38.20 (3) the applicant refused to allow agents of the commissioner to inspect its books, records,
38.21 and files related to the license application, or any portion of the premises;

38.22 (4) the applicant willfully prevented, interfered with, or attempted to impede in any way:
38.23 (i) the work of any authorized representative of the commissioner, the ombudsman for
38.24 long-term care, or the ombudsman for mental health and developmental disabilities; or (ii)
38.25 the duties of the commissioner, local law enforcement, city or county attorneys, adult
38.26 protection, county case managers, or other local government personnel;

38.27 (5) the applicant, owner, controlling individual, managerial official, or assisted living
38.28 director for the facility has a history of noncompliance with federal or state regulations that
38.29 were detrimental to the health, welfare, or safety of a resident or a client; or

38.30 (6) the applicant violates any requirement in this chapter.

38.31 (d) If a license is denied, the applicant has the reconsideration rights available under
38.32 section 144G.16, subdivision 4.

(e) In determining whether to grant a license, the commissioner must specifically consider the population, size, land use plan, availability of community services, and the number and size of existing assisted living facilities licensed under this chapter in the town, municipality, or county in which the applicant seeks to operate an assisted living facility. The commissioner must not grant a provision or initial license to any assisted living facility with a licensed resident capacity of six or fewer if the assisted living facility will be within 1,320 feet of an existing assisted living facility with a licensed resident capacity of six or fewer or within 1,320 feet of an existing residential program licensed under chapter 245A serving six or fewer residents.

EFFECTIVE DATE. This section is effective August 1, 2025, and applies to provisional and initial licenses issued on or after that date.

Sec. 26. Minnesota Statutes 2024, section 144G.16, subdivision 3, is amended to read:

Subd. 3. Licensure; termination or extension of provisional licenses. (a) If the provisional licensee is in substantial compliance with the survey, the commissioner shall issue a facility license.

(b) If the provisional licensee is not in substantial compliance with the initial survey, the commissioner shall either: (1) not issue the facility license and terminate the provisional license; or (2) extend the provisional license for a period not to exceed 90 calendar days and apply conditions necessary to bring the facility into substantial compliance. If the provisional licensee is not in substantial compliance with the survey within the time period of the extension or if the provisional licensee does not satisfy the license conditions, the commissioner may deny the license.

(c) The owners and managerial officials of a provisional licensee whose license is denied are ineligible to apply for an assisted living facility license under this chapter for one year following the facility's closure date.

Sec. 27. [144G.505] PROHIBITED CONDITION OF ADMISSION OR CONTINUED RESIDENCE.

An assisted living facility is prohibited from requiring a current or prospective resident to have or obtain a guardian or conservator as a condition of admission to or continued residence in the assisted living facility.

Sec. 28. Minnesota Statutes 2024, section 144G.51, is amended to read:

144G.51 ARBITRATION.

~~(a) An assisted living facility must~~ If an assisted living facility includes an arbitration provision in the assisted living contract, the provision and contract must:

(1) clearly and conspicuously disclose, in writing in an assisted living contract, any arbitration provision in the contract that precludes, or limits, or delays the ability of a resident or the resident's agent from taking a civil action;

~~(b) An arbitration requirement must not include a choice of law or choice of venue provision. Assisted living contracts must~~ (2) adhere to Minnesota law and any other applicable federal or local law;

(3) not require any resident or the resident's representative to sign a contract containing a provision for binding arbitration as a condition of admission to, or as a requirement to continue to receive care at, the facility; and

(4) explicitly inform the resident or the resident's representative of the resident's right not to sign a contract containing a provision for binding arbitration as a condition of admission to, or as a requirement to continue to receive care at, the facility.

Sec. 29. Minnesota Statutes 2024, section 144G.52, is amended by adding a subdivision to read:

Subd. 5a. **Impermissible ground for termination.** A facility must not terminate an assisted living contract on the ground that the resident changes from using private funds to using public funds to pay for housing or services. This subdivision does not prohibit a facility from terminating an assisted living contract for nonpayment according to subdivision 3, or for a violation of the assisted living contract according to subdivision 4.

Sec. 30. Minnesota Statutes 2024, section 144G.53, is amended to read:

144G.53 NONRENEWAL OF HOUSING.

Subdivision 1. **Notice or termination procedure.** (a) If a facility decides to not renew a resident's housing under a contract, the facility must either (1) provide the resident with 60 calendar days' notice of the nonrenewal and assistance with relocation planning, or (2) follow the termination procedure under section 144G.52.

(b) The notice must include the reason for the nonrenewal and contact information of the Office of Ombudsman for Long-Term Care and the Office of Ombudsman for Mental Health and Developmental Disabilities.

(c) A facility must:

(1) provide notice of the nonrenewal to the Office of Ombudsman for Long-Term Care; and

(2) for residents who receive home and community-based waiver services under chapter 256S and section 256B.49, provide notice to the resident's case manager;

Subd. 2. Prohibited ground for nonrenewal. A facility must not decline to renew a resident's housing under a contract on the ground that the resident changes from using private funds to using public funds to pay for housing. This subdivision does not prohibit a facility from terminating an assisted living contract for nonpayment according to section 144G.52, subdivision 3, or for a violation of the assisted living contract according to section 144G.52, subdivision 4.

Subd. 3. Requirements following notice. If a facility provides notice of nonrenewal according to subdivision 1, the facility must:

~~(3)~~ (1) ensure a coordinated move to a safe location, as defined in section 144G.55, subdivision 2, that is appropriate for the resident;

~~(4)~~ (2) ensure a coordinated move to an appropriate service provider identified by the facility, if services are still needed and desired by the resident;

~~(5)~~ (3) consult and cooperate with the resident, legal representative, designated representative, case manager for a resident who receives home and community-based waiver services under chapter 256S and section 256B.49, relevant health professionals, and any other persons of the resident's choosing to make arrangements to move the resident, including consideration of the resident's goals; and

~~(6)~~ (4) prepare a written plan to prepare for the move.

Subd. 4. Right to move to location of resident's choosing or to use provider of resident's choosing. ~~(d)~~ A resident may decline to move to the location the facility identifies or to accept services from a service provider the facility identifies, and may instead choose to move to a location of the resident's choosing or receive services from a service provider of the resident's choosing within the timeline prescribed in the nonrenewal notice.

Sec. 31. **[144G.65] TRAINING IN EMERGENCY MANUAL RESTRAINTS.**

Subdivision 1. Training. The licensee must ensure that staff who may apply an emergency manual restraint complete a minimum of four hours of training from qualified individuals prior to assuming these responsibilities. Training must include:

(1) types of behaviors, de-escalation techniques, and their value;

(2) principles of person-centered planning and service delivery as identified in section 245D.07, subdivision 1a;

(3) what constitutes the use of a restraint;

(4) staff responsibilities related to prohibited procedures under section 144G.85, subdivision 4; why the procedures are not effective for reducing or eliminating symptoms or interfering behavior; and why the procedures are not safe;

(5) the situations in which staff must contact 911 services in response to an imminent risk of harm to the resident or others; and

(6) strategies for respecting and supporting each resident's cultural preferences.

Subd. 2. Annual refresher training. The licensee must ensure that staff who may apply an emergency manual restraint complete two hours of refresher training on an annual basis covering each of the training areas in subdivision 1.

Subd. 3. Implementation. The assisted living facility must implement all orientation and training topics in this section.

Subd. 4. Verification and documentation of orientation and training. For staff who may apply an emergency manual restraint, the assisted living facility shall retain evidence in the employee record of each staff person having completed the orientation and training required under this section.

EFFECTIVE DATE. This section is effective January 1, 2026.

Sec. 32. Minnesota Statutes 2024, section 144G.70, subdivision 2, is amended to read:

Subd. 2. Initial reviews, assessments, and monitoring. (a) Residents who are not receiving any assisted living services shall not be required to undergo an initial comprehensive nursing assessment.

(b) An assisted living facility shall conduct a comprehensive nursing assessment by a registered nurse of the physical and cognitive needs of the prospective resident and propose a temporary service plan prior to the date on which a prospective resident executes a contract

with a facility or the date on which a prospective resident moves in, whichever is earlier. If necessitated by either the geographic distance between the prospective resident and the facility, or urgent or unexpected circumstances, the comprehensive assessment may be conducted using telecommunication methods based on practice standards that meet the resident's needs and reflect person-centered planning and care delivery.

(c) Resident comprehensive reassessment and monitoring must be conducted ~~no more than 14 calendar days after initiation of services. Ongoing resident reassessment and monitoring must be conducted as needed based on changes in the needs of the resident and cannot exceed 90 calendar days from the last date of the assessment~~ by a registered nurse:

(1) no more than 14 calendar days after initiation of services;

(2) as needed based upon changes in the needs of the resident; and

(3) at least every 90 calendar days.

(d) Sections of the comprehensive reassessment and monitoring in paragraph (c) may be completed by a licensed practical nurse as allowed under the Nurse Practice Act in sections 148.171 to 148.285. A registered nurse must review the findings as part of the resident's comprehensive reassessment.

~~(d)~~ (e) For residents only receiving assisted living services specified in section 144G.08, subdivision 9, clauses (1) to (5), the facility shall complete an individualized initial review of the resident's needs and preferences. The initial review must be completed within 30 calendar days of the start of services. Resident monitoring and review must be conducted as needed based on changes in the needs of the resident and cannot exceed 90 calendar days from the date of the last review.

~~(e)~~ (f) A facility must inform the prospective resident of the availability of and contact information for long-term care consultation services under section 256B.0911, prior to the date on which a prospective resident executes a contract with a facility or the date on which a prospective resident moves in, whichever is earlier.

Sec. 33. Minnesota Statutes 2024, section 144G.71, subdivision 3, is amended to read:

Subd. 3. **Individualized medication monitoring and reassessment.** ~~The assisted living facility~~ A registered nurse or qualified staff delegated the task by a registered nurse must monitor and reassess the resident's medication management services as needed under subdivision 2 when the resident presents with symptoms or other issues that may be medication-related and, at a minimum, annually.

44.1 Sec. 34. Minnesota Statutes 2024, section 144G.71, subdivision 5, is amended to read:

44.2 Subd. 5. **Individualized medication management plan.** (a) For each resident receiving
44.3 medication management services, ~~the assisted living facility~~ a registered nurse or qualified
44.4 staff delegated the task by a registered nurse must prepare and include in the service plan
44.5 a written statement of the medication management services that will be provided to the
44.6 resident. The facility must develop and maintain a current individualized medication
44.7 management record for each resident based on the resident's assessment that must contain
44.8 the following:

44.9 (1) a statement describing the medication management services that will be provided;

44.10 (2) a description of storage of medications based on the resident's needs and preferences,
44.11 risk of diversion, and consistent with the manufacturer's directions;

44.12 (3) documentation of specific resident instructions relating to the administration of
44.13 medications;

44.14 (4) identification of persons responsible for monitoring medication supplies and ensuring
44.15 that medication refills are ordered on a timely basis;

44.16 (5) identification of medication management tasks that may be delegated to unlicensed
44.17 personnel;

44.18 (6) procedures for staff notifying a registered nurse or appropriate licensed health
44.19 professional when a problem arises with medication management services; and

44.20 (7) any resident-specific requirements relating to documenting medication administration,
44.21 verifications that all medications are administered as prescribed, and monitoring of
44.22 medication use to prevent possible complications or adverse reactions.

44.23 (b) The medication management record must be current and updated when there are any
44.24 changes.

44.25 (c) Medication reconciliation must be completed when a licensed nurse, licensed health
44.26 professional, or authorized prescriber is providing medication management.

44.27 Sec. 35. Minnesota Statutes 2024, section 144G.81, subdivision 1, is amended to read:

44.28 Subdivision 1. **Fire protection and physical environment.** An assisted living facility
44.29 with a dementia care ~~that has a secured dementia care unit license~~ must meet the requirements
44.30 of section 144G.45 and the following additional requirements:

(1) ~~a hazard vulnerability~~ an assessment of safety risk risks must be performed on and around the property. ~~The hazards indicated~~ safety risks identified by the facility on the assessment must be ~~assessed and~~ mitigated to protect the residents from harm. The mitigation efforts must be documented in the facility's records; and

(2) the facility ~~shall~~ must be protected throughout by an approved supervised automatic sprinkler system by August 1, 2029.

Sec. 36. **[144G.85] USE OF RESTRAINTS.**

Subdivision 1. Use of restraints prohibited. Restraints are prohibited except as described in subdivisions 2 and 4.

Subd. 2. Emergency use of manual restraints. Emergency use of a manual restraint is permitted only when immediate intervention is needed to protect the resident or others from imminent risk of physical harm and is the least restrictive intervention to address the risk. The manual restraint must be imposed for the least amount of time necessary and removed when there is no longer imminent risk of physical harm to the resident or other persons in the facility. The use of a manual restraint under this subdivision must:

(1) take into consideration the rights, health, and welfare of the resident;

(2) not apply back or chest pressure while the resident is in a prone, supine, or side-lying position;

(3) allow the resident to be free from prone restraint.

Subd. 3. Documentation and notification of use of emergency manual restraints. (a) The resident's legal representative must be notified within 12 hours of any use of an emergency manual restraint and of the circumstances that prompted the use of an emergency manual restraint. Notification and the use of an emergency manual restraint must be documented. If known, the advanced practice registered nurse, physician, or physician assistant must be notified within 12 hours of any use of an emergency manual restraint.

(b) On a form developed by the commissioner, the facility must notify the commissioner and the ombudsperson for long-term care within seven calendar days of the use of any emergency manual restraint. The commissioner will monitor reported uses of emergency manual restraints to detect overuse or unauthorized, inappropriate, or ineffective use of emergency manual restraints. The form must include:

(1) the name and date of birth of the resident;

(2) the date and time of the use of the emergency manual restraint;

(3) the names of staff and any residents who were involved in the incident leading up to the emergency use of manual restraint;

(4) a description of the incident, including the length of time the restraint was applied, and who was present before and during the incident leading up to the emergency use of manual restraint;

(5) a description of what less restrictive alternative measures were attempted to de-escalate the incident and maintain safety that identifies when, how, and how long the alternative measures were attempted before the emergency manual restraint was implemented;

(6) a description of the mental, physical, and emotional condition of the resident who was manually restrained, and of other persons involved in the incident leading up to, during, and following the manual restraint;

(7) whether there was any injury to the resident who was manually restrained or other persons involved in the incident, including staff, before or as a result of the use of manual restraint; and

(8) whether there was a debriefing following the incident with the staff, and, if not contraindicated, with the resident who was manually restrained and other persons who were involved in or who witnessed the manual restraint, and the outcome of the debriefing. If the debriefing was not conducted at the time the incident report was made, the report should identify whether a debriefing is planned and whether there is a plan for mitigating use of emergency manual restraints in the future.

(c) A copy of the report submitted under paragraph (b) must be maintained in the resident's record.

(d) A copy of the report submitted under paragraph (b) must be sent to the resident's waiver case manager within seven calendar days of the use of any emergency manual restraints. Any use of emergency manual restraints on people served under chapter 256S and section 256B.49 must be documented by the case manager in the resident's support plan, as defined in sections 256B.49, subdivision 15, and 256S.10.

Subd. 4. **Ordered treatment.** Any use of a restraint, other than the use of an emergency manual restraint to address an imminent risk, must be the least restrictive option and comply with the requirements for an ordered treatment under section 144G.72.

EFFECTIVE DATE. This section is effective January 1, 2026.

47.1 Sec. 37. Minnesota Statutes 2024, section 144G.92, subdivision 2, is amended to read:

47.2 Subd. 2. **Retaliation against a resident.** A resident has the right to be free from
47.3 retaliation. For purposes of this section, to retaliate against a resident includes but is not
47.4 limited to any of the following actions taken or threatened by a facility or an agent of the
47.5 facility against a resident, or any person with a familial, personal, legal, or professional
47.6 relationship with the resident:

47.7 (1) termination of a contract;

47.8 (2) any form of discrimination;

47.9 (3) restriction or prohibition of access:

47.10 (i) of the resident to the facility or visitors; or

47.11 (ii) of a family member or a person with a personal, legal, or professional relationship
47.12 with the resident, to the resident, unless the restriction is the result of a court order;

47.13 (4) the imposition of involuntary seclusion or the withholding of food, care, or services;

47.14 (5) restriction of any of the rights granted to residents under state or federal law;

47.15 (6) restriction or reduction of access to or use of amenities, care, services, privileges, or
47.16 living arrangements; or

47.17 (7) unauthorized removal, tampering with, or deprivation of technology, communication,
47.18 or electronic monitoring devices.

47.19 Sec. 38. Minnesota Statutes 2024, section 144G.92, is amended by adding a subdivision
47.20 to read:

47.21 Subd. 4a. **Other remedies.** In addition to the remedies otherwise provided by or available
47.22 under the law, a resident or a resident's legal representative may bring an action in district
47.23 court against a facility that retaliates against the resident in violation of this section. The
47.24 court may award damages, injunctive relief, and any other relief the court deems just and
47.25 equitable.

47.26 **EFFECTIVE DATE.** This section is effective August 1, 2025, and applies to causes
47.27 of action accruing on or after that date.

Sec. 39. Minnesota Statutes 2024, section 145C.07, is amended by adding a subdivision to read:

Subd. 6. Visits by others. A health care agent may not restrict the ability of the principal to communicate, visit, or interact with others, including receiving visitors, making or receiving telephone calls, sending or receiving personal mail, sending or receiving electronic communications including through social media, or participating in social activities, unless the health care agent has good cause to believe a restriction is necessary because interaction with the person poses a risk of significant physical, psychological, or financial harm to the principal, and there is no other means to avoid such significant harm. Notwithstanding section 145C.10, paragraph (c), restrictions made in violation of this subdivision carry no presumption that the health care agent is acting in good faith.

Sec. 40. Minnesota Statutes 2024, section 145C.10, is amended to read:

145C.10 PRESUMPTIONS.

(a) The principal is presumed to have the capacity to execute a health care directive and to revoke a health care directive, absent clear and convincing evidence to the contrary.

(b) A health care provider or health care agent may presume that a health care directive is legally sufficient absent actual knowledge to the contrary. A health care directive is presumed to be properly executed, absent clear and convincing evidence to the contrary.

(c) Except as provided in section 145C.07, subdivision 6, a health care agent, and a health care provider acting pursuant to the direction of a health care agent, are presumed to be acting in good faith, absent clear and convincing evidence to the contrary.

(d) A health care directive is presumed to remain in effect until the principal modifies or revokes it, absent clear and convincing evidence to the contrary.

(e) This chapter does not create a presumption concerning the intention of an individual who has not executed a health care directive and, except as otherwise provided by section 145C.15, does not impair or supersede any right or responsibility of an individual to consent, refuse to consent, or withdraw consent to health care on behalf of another in the absence of a health care directive.

(f) A copy of a health care directive is presumed to be a true and accurate copy of the executed original, absent clear and convincing evidence to the contrary, and must be given the same effect as an original.

(g) When a patient lacks decision-making capacity and is pregnant, and in reasonable medical judgment there is a real possibility that if health care to sustain her life and the life of the fetus is provided the fetus could survive to the point of live birth, the health care provider shall presume that the patient would have wanted such health care to be provided, even if the withholding or withdrawal of such health care would be authorized were she not pregnant. This presumption is negated by health care directive provisions described in section 145C.05, subdivision 2, paragraph (a), clause (10), that are to the contrary, or, in the absence of such provisions, by clear and convincing evidence that the patient's wishes, while competent, were to the contrary.

Sec. 41. **REVISOR INSTRUCTION.**

(a) The revisor of statutes shall renumber Minnesota Statutes, section 144A.70, subdivision 4a, as Minnesota Statutes, section 144A.70, subdivision 4c, and correct all cross-references.

(b) The revisor of statutes shall renumber Minnesota Statutes, section 144A.70, subdivision 7, as Minnesota Statutes, section 144A.714, and correct all cross-references.

Sec. 42. **REPEALER.**

Minnesota Statutes 2024, section 144G.9999, subdivisions 1, 2, and 3, are repealed.

ARTICLE 3

DIRECT CARE AND TREATMENT POLICY

Section 1. Minnesota Statutes 2024, section 13.46, subdivision 3, is amended to read:

Subd. 3. Investigative data. (a) Data on persons, including data on vendors of services, licensees, and applicants that is collected, maintained, used, or disseminated by the welfare system in an investigation, authorized by statute, and relating to the enforcement of rules or law are confidential data on individuals pursuant to section 13.02, subdivision 3, or protected nonpublic data not on individuals pursuant to section 13.02, subdivision 13, and shall not be disclosed except:

(1) pursuant to section 13.05;

(2) pursuant to statute or valid court order;

(3) to a party named in a civil or criminal proceeding, administrative or judicial, for preparation of defense;

(4) to an agent of the welfare system or an investigator acting on behalf of a county, state, or federal government, including a law enforcement officer or attorney in the investigation or prosecution of a criminal, civil, or administrative proceeding, unless the commissioner of human services ~~or~~; the commissioner of children, youth, and families; or the Direct Care and Treatment executive board determines that disclosure may compromise a Department of Human Services ~~or~~; Department of Children, Youth, and Families; or Direct Care and Treatment ongoing investigation; or

(5) to provide notices required or permitted by statute.

The data referred to in this subdivision shall be classified as public data upon submission to an administrative law judge or court in an administrative or judicial proceeding. Inactive welfare investigative data shall be treated as provided in section 13.39, subdivision 3.

(b) Notwithstanding any other provision in law, the commissioner of human services shall provide all active and inactive investigative data, including the name of the reporter of alleged maltreatment under section 626.557 or chapter 260E, to the ombudsman for mental health and developmental disabilities upon the request of the ombudsman.

(c) Notwithstanding paragraph (a) and section 13.39, the existence of an investigation by the commissioner of human services of possible overpayments of public funds to a service provider or recipient may be disclosed if the commissioner determines that it will not compromise the investigation.

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

Sec. 2. Minnesota Statutes 2024, section 13.46, subdivision 4, is amended to read:

Subd. 4. **Licensing data.** (a) As used in this subdivision:

(1) "licensing data" are all data collected, maintained, used, or disseminated by the welfare system pertaining to persons licensed or registered or who apply for licensure or registration or who formerly were licensed or registered under the authority of the commissioner of human services;

(2) "client" means a person who is receiving services from a licensee or from an applicant for licensure; and

(3) "personal and personal financial data" are Social Security numbers, identity of and letters of reference, insurance information, reports from the Bureau of Criminal Apprehension, health examination reports, and social/home studies.

51.1 (b)(1)(i) Except as provided in paragraph (c), the following data on applicants, license
51.2 holders, certification holders, and former licensees are public: name, address, telephone
51.3 number of licensees, email addresses except for family child foster care, date of receipt of
51.4 a completed application, dates of licensure, licensed capacity, type of client preferred,
51.5 variances granted, record of training and education in child care and child development,
51.6 type of dwelling, name and relationship of other family members, previous license history,
51.7 class of license, the existence and status of complaints, and the number of serious injuries
51.8 to or deaths of individuals in the licensed program as reported to the commissioner of human
51.9 services; the commissioner of children, youth, and families; the local social services agency;
51.10 or any other county welfare agency. For purposes of this clause, a serious injury is one that
51.11 is treated by a physician.

51.12 (ii) Except as provided in item (v), when a correction order, an order to forfeit a fine,
51.13 an order of license suspension, an order of temporary immediate suspension, an order of
51.14 license revocation, an order of license denial, or an order of conditional license has been
51.15 issued, or a complaint is resolved, the following data on current and former licensees and
51.16 applicants are public: the general nature of the complaint or allegations leading to the
51.17 temporary immediate suspension; the substance and investigative findings of the licensing
51.18 or maltreatment complaint, licensing violation, or substantiated maltreatment; the existence
51.19 of settlement negotiations; the record of informal resolution of a licensing violation; orders
51.20 of hearing; findings of fact; conclusions of law; specifications of the final correction order,
51.21 fine, suspension, temporary immediate suspension, revocation, denial, or conditional license
51.22 contained in the record of licensing action; whether a fine has been paid; and the status of
51.23 any appeal of these actions.

51.24 (iii) When a license denial under section 142A.15 or 245A.05 or a sanction under section
51.25 142B.18 or 245A.07 is based on a determination that a license holder, applicant, or controlling
51.26 individual is responsible for maltreatment under section 626.557 or chapter 260E, the identity
51.27 of the applicant, license holder, or controlling individual as the individual responsible for
51.28 maltreatment is public data at the time of the issuance of the license denial or sanction.

51.29 (iv) When a license denial under section 142A.15 or 245A.05 or a sanction under section
51.30 142B.18 or 245A.07 is based on a determination that a license holder, applicant, or controlling
51.31 individual is disqualified under chapter 245C, the identity of the license holder, applicant,
51.32 or controlling individual as the disqualified individual is public data at the time of the
51.33 issuance of the licensing sanction or denial. If the applicant, license holder, or controlling
51.34 individual requests reconsideration of the disqualification and the disqualification is affirmed,

52.1 the reason for the disqualification and the reason to not set aside the disqualification are
52.2 private data.

52.3 (v) A correction order or fine issued to a child care provider for a licensing violation is
52.4 private data on individuals under section 13.02, subdivision 12, or nonpublic data under
52.5 section 13.02, subdivision 9, if the correction order or fine is seven years old or older.

52.6 (2) For applicants who withdraw their application prior to licensure or denial of a license,
52.7 the following data are public: the name of the applicant, the city and county in which the
52.8 applicant was seeking licensure, the dates of the commissioner's receipt of the initial
52.9 application and completed application, the type of license sought, and the date of withdrawal
52.10 of the application.

52.11 (3) For applicants who are denied a license, the following data are public: the name and
52.12 address of the applicant, the city and county in which the applicant was seeking licensure,
52.13 the dates of the commissioner's receipt of the initial application and completed application,
52.14 the type of license sought, the date of denial of the application, the nature of the basis for
52.15 the denial, the existence of settlement negotiations, the record of informal resolution of a
52.16 denial, orders of hearings, findings of fact, conclusions of law, specifications of the final
52.17 order of denial, and the status of any appeal of the denial.

52.18 (4) When maltreatment is substantiated under section 626.557 or chapter 260E and the
52.19 victim and the substantiated perpetrator are affiliated with a program licensed under chapter
52.20 142B or 245A; the commissioner of human services; commissioner of children, youth, and
52.21 families; local social services agency; or county welfare agency may inform the license
52.22 holder where the maltreatment occurred of the identity of the substantiated perpetrator and
52.23 the victim.

52.24 (5) Notwithstanding clause (1), for child foster care, only the name of the license holder
52.25 and the status of the license are public if the county attorney has requested that data otherwise
52.26 classified as public data under clause (1) be considered private data based on the best interests
52.27 of a child in placement in a licensed program.

52.28 (c) The following are private data on individuals under section 13.02, subdivision 12,
52.29 or nonpublic data under section 13.02, subdivision 9: personal and personal financial data
52.30 on family day care program and family foster care program applicants and licensees and
52.31 their family members who provide services under the license.

52.32 (d) The following are private data on individuals: the identity of persons who have made
52.33 reports concerning licensees or applicants that appear in inactive investigative data, and the
52.34 records of clients or employees of the licensee or applicant for licensure whose records are

53.1 received by the licensing agency for purposes of review or in anticipation of a contested
53.2 matter. The names of reporters of complaints or alleged violations of licensing standards
53.3 under chapters 142B, 245A, 245B, 245C, and 245D, and applicable rules and alleged
53.4 maltreatment under section 626.557 and chapter 260E, are confidential data and may be
53.5 disclosed only as provided in section 260E.21, subdivision 4; 260E.35; or 626.557,
53.6 subdivision 12b.

53.7 (e) Data classified as private, confidential, nonpublic, or protected nonpublic under this
53.8 subdivision become public data if submitted to a court or administrative law judge as part
53.9 of a disciplinary proceeding in which there is a public hearing concerning a license which
53.10 has been suspended, immediately suspended, revoked, or denied.

53.11 (f) Data generated in the course of licensing investigations that relate to an alleged
53.12 violation of law are investigative data under subdivision 3.

53.13 (g) Data that are not public data collected, maintained, used, or disseminated under this
53.14 subdivision that relate to or are derived from a report as defined in section 260E.03, or
53.15 626.5572, subdivision 18, are subject to the destruction provisions of sections 260E.35,
53.16 subdivision 6, and 626.557, subdivision 12b.

53.17 (h) Upon request, not public data collected, maintained, used, or disseminated under
53.18 this subdivision that relate to or are derived from a report of substantiated maltreatment as
53.19 defined in section 626.557 or chapter 260E may be exchanged with the Department of
53.20 Health for purposes of completing background studies pursuant to section 144.057 and with
53.21 the Department of Corrections for purposes of completing background studies pursuant to
53.22 section 241.021.

53.23 (i) Data on individuals collected according to licensing activities under chapters 142B,
53.24 245A, and 245C, data on individuals collected by the commissioner of human services
53.25 according to investigations under section 626.557 and chapters 142B, 245A, 245B, 245C,
53.26 245D, and 260E may be shared with the Department of Human Rights, the Department of
53.27 Health, the Department of Corrections, the ombudsman for mental health and developmental
53.28 disabilities, and the individual's professional regulatory board when there is reason to believe
53.29 that laws or standards under the jurisdiction of those agencies may have been violated or
53.30 the information may otherwise be relevant to the board's regulatory jurisdiction. Background
53.31 study data on an individual who is the subject of a background study under chapter 245C
53.32 for a licensed service for which the commissioner of human services ~~or~~ commissioner of
53.33 children, youth, and families; or the Direct Care and Treatment executive board is the license
53.34 holder may be shared with the commissioner and the commissioner's delegate by the licensing

division. Unless otherwise specified in this chapter, the identity of a reporter of alleged maltreatment or licensing violations may not be disclosed.

(j) In addition to the notice of determinations required under sections 260E.24, subdivisions 5 and 7, and 260E.30, subdivision 6, paragraphs (b), (c), (d), (e), and (f), if the commissioner of children, youth, and families or the local social services agency has determined that an individual is a substantiated perpetrator of maltreatment of a child based on sexual abuse, as defined in section 260E.03, and the commissioner or local social services agency knows that the individual is a person responsible for a child's care in another facility, the commissioner or local social services agency shall notify the head of that facility of this determination. The notification must include an explanation of the individual's available appeal rights and the status of any appeal. If a notice is given under this paragraph, the government entity making the notification shall provide a copy of the notice to the individual who is the subject of the notice.

(k) All not public data collected, maintained, used, or disseminated under this subdivision and subdivision 3 may be exchanged between the Department of Human Services, Licensing Division, and the Department of Corrections for purposes of regulating services for which the Department of Human Services and the Department of Corrections have regulatory authority.

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

Sec. 3. Minnesota Statutes 2024, section 15.471, subdivision 6, is amended to read:

Subd. 6. **Party.** (a) Except as modified by paragraph (b), "party" means a person named or admitted as a party, or seeking and entitled to be admitted as a party, in a court action or contested case proceeding, or a person admitted by an administrative law judge for limited purposes, and who is:

(1) an unincorporated business, partnership, corporation, association, or organization, having not more than 500 employees at the time the civil action was filed or the contested case proceeding was initiated; and

(2) an unincorporated business, partnership, corporation, association, or organization whose annual revenues did not exceed \$7,000,000 at the time the civil action was filed or the contested case proceeding was initiated.

(b) "Party" also includes a partner, officer, shareholder, member, or owner of an entity described in paragraph (a), clauses (1) and (2).

(c) "Party" does not include a person providing services pursuant to licensure or reimbursement on a cost basis by the Department of Health ~~or~~ the Department of Human Services, or Direct Care and Treatment when that person is named or admitted or seeking to be admitted as a party in a matter which involves the licensing or reimbursement rates, procedures, or methodology applicable to those services.

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

Sec. 4. Minnesota Statutes 2024, section 43A.241, is amended to read:

43A.241 INSURANCE CONTRIBUTIONS; FORMER EMPLOYEES.

(a) This section applies to a person who:

(1) was employed by the commissioner of corrections, the commissioner of human services, or the Direct Care and Treatment executive board;

(2) was covered by the correctional employee retirement plan under section 352.91 or the general state employees retirement plan of the Minnesota State Retirement System as defined in section 352.021;

(3) while employed under clause (1), was assaulted by:

(i) a person under correctional supervision for a criminal offense; or

(ii) a client or patient at the Minnesota Sex Offender Program, or at a state-operated forensic services program as defined in section 352.91, subdivision 3j; and

(4) as a direct result of the assault under clause (3), was determined to be totally and permanently physically disabled under laws governing the Minnesota State Retirement System.

(b) For a person to whom this section applies, the commissioner of corrections, the commissioner of human services, or the Direct Care and Treatment executive board, using existing budget resources, must continue to make the employer contribution for medical and dental benefits under the State Employee Group Insurance Program after the person terminates state service. If the person had dependent coverage at the time of terminating state service, employer contributions for dependent coverage also must continue under this section. The employer contributions must be in the amount of the employer contribution for active state employees at the time each payment is made. The employer contributions must continue until the person reaches age 65, provided the person makes the required employee contributions, in the amount required of an active state employee, at the time and in the manner specified by the commissioner ~~or executive board~~.

Sec. 5. Minnesota Statutes 2024, section 62J.495, subdivision 2, is amended to read:

Subd. 2. **E-Health Advisory Committee.** (a) The commissioner shall establish an e-Health Advisory Committee governed by section 15.059 to advise the commissioner on the following matters:

(1) assessment of the adoption and effective use of health information technology by the state, licensed health care providers and facilities, and local public health agencies;

(2) recommendations for implementing a statewide interoperable health information infrastructure, to include estimates of necessary resources, and for determining standards for clinical data exchange, clinical support programs, patient privacy requirements, and maintenance of the security and confidentiality of individual patient data;

(3) recommendations for encouraging use of innovative health care applications using information technology and systems to improve patient care and reduce the cost of care, including applications relating to disease management and personal health management that enable remote monitoring of patients' conditions, especially those with chronic conditions; and

(4) other related issues as requested by the commissioner.

(b) The members of the e-Health Advisory Committee shall include the commissioners, or commissioners' designees, of health, human services, administration, and commerce; a representative of the Direct Care and Treatment executive board; and additional members to be appointed by the commissioner to include persons representing Minnesota's local public health agencies, licensed hospitals and other licensed facilities and providers, private purchasers, the medical and nursing professions, health insurers and health plans, the state quality improvement organization, academic and research institutions, consumer advisory organizations with an interest and expertise in health information technology, and other stakeholders as identified by the commissioner to fulfill the requirements of section 3013, paragraph (g), of the HITECH Act.

(c) This subdivision expires June 30, 2031.

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

Sec. 6. Minnesota Statutes 2024, section 97A.441, subdivision 3, is amended to read:

Subd. 3. **Angling; residents of state institutions.** The commissioner may issue a license, without a fee, to take fish by angling to a person that is a ward of the commissioner of human

57.1 services and a resident of a state institution under the control of the Direct Care and Treatment
57.2 executive board upon application by the commissioner of human services.

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

57.4 Sec. 7. Minnesota Statutes 2024, section 144.53, is amended to read:

57.5 **144.53 FEES.**

57.6 Each application for a license, or renewal thereof, to operate a hospital, sanitarium or
57.7 other institution for the hospitalization or care of human beings, within the meaning of
57.8 sections 144.50 to 144.56, except applications by the Minnesota Veterans Home, the
57.9 ~~commissioner of human services~~ Direct Care and Treatment executive board for the licensing
57.10 of state institutions, or by the administrator for the licensing of the University of Minnesota
57.11 hospitals, shall be accompanied by a fee to be prescribed by the state commissioner of health
57.12 pursuant to section 144.122. No fee shall be refunded. Licenses shall expire and shall be
57.13 renewed as prescribed by the commissioner of health pursuant to section 144.122.

57.14 No license granted hereunder shall be assignable or transferable.

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

57.16 Sec. 8. Minnesota Statutes 2024, section 144.651, subdivision 2, is amended to read:

57.17 Subd. 2. **Definitions.** (a) For the purposes of this section, "patient" means a person who
57.18 is admitted to an acute care inpatient facility for a continuous period longer than 24 hours,
57.19 for the purpose of diagnosis or treatment bearing on the physical or mental health of that
57.20 person. For purposes of subdivisions 4 to 9, 12, 13, 15, 16, and 18 to 20, "patient" also
57.21 means a person who receives health care services at an outpatient surgical center or at a
57.22 birth center licensed under section 144.615. "Patient" also means a minor who is admitted
57.23 to a residential program as defined in ~~section 253C.01~~ paragraph (c). For purposes of
57.24 subdivisions 1, 3 to 16, 18, 20 and 30, "patient" also means any person who is receiving
57.25 mental health treatment on an outpatient basis or in a community support program or other
57.26 community-based program.

57.27 (b) "Resident" means a person who is admitted to a nonacute care facility including
57.28 extended care facilities, nursing homes, and boarding care homes for care required because
57.29 of prolonged mental or physical illness or disability, recovery from injury or disease, or
57.30 advancing age. For purposes of all subdivisions except subdivisions 28 and 29, "resident"
57.31 also means a person who is admitted to a facility licensed as a board and lodging facility
57.32 under Minnesota Rules, parts 4625.0100 to 4625.2355, a boarding care home under sections

58.1 144.50 to 144.56, or a supervised living facility under Minnesota Rules, parts 4665.0100
58.2 to 4665.9900, and which operates a rehabilitation program licensed under chapter 245G or
58.3 245I, or Minnesota Rules, parts 9530.6510 to 9530.6590.

58.4 (c) "Residential program" means (1) a hospital-based primary treatment program that
58.5 provides residential treatment to minors with emotional disturbance as defined by the
58.6 Comprehensive Children's Mental Health Act in sections 245.487 to 245.4889, or (2) a
58.7 facility licensed by the state under Minnesota Rules, parts 2960.0580 to 2960.0700, to
58.8 provide services to minors on a 24-hour basis.

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

58.10 Sec. 9. Minnesota Statutes 2024, section 144.651, subdivision 4, is amended to read:

58.11 Subd. 4. **Information about rights.** Patients and residents shall, at admission, be told
58.12 that there are legal rights for their protection during their stay at the facility or throughout
58.13 their course of treatment and maintenance in the community and that these are described
58.14 in an accompanying written statement of the applicable rights and responsibilities set forth
58.15 in this section. In the case of patients admitted to residential programs as defined in ~~section~~
58.16 ~~253C.01~~ subdivision 2, the written statement shall also describe the right of a person 16
58.17 years old or older to request release as provided in section 253B.04, subdivision 2, and shall
58.18 list the names and telephone numbers of individuals and organizations that provide advocacy
58.19 and legal services for patients in residential programs. Reasonable accommodations shall
58.20 be made for people who have communication disabilities and those who speak a language
58.21 other than English. Current facility policies, inspection findings of state and local health
58.22 authorities, and further explanation of the written statement of rights shall be available to
58.23 patients, residents, their guardians or their chosen representatives upon reasonable request
58.24 to the administrator or other designated staff person, consistent with chapter 13, the Data
58.25 Practices Act, and section 626.557, relating to vulnerable adults.

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

58.27 Sec. 10. Minnesota Statutes 2024, section 144.651, subdivision 20, is amended to read:

58.28 Subd. 20. **Grievances.** Patients and residents shall be encouraged and assisted, throughout
58.29 their stay in a facility or their course of treatment, to understand and exercise their rights
58.30 as patients, residents, and citizens. Patients and residents may voice grievances and
58.31 recommend changes in policies and services to facility staff and others of their choice, free
58.32 from restraint, interference, coercion, discrimination, or reprisal, including threat of discharge.
58.33 Notice of the grievance procedure of the facility or program, as well as addresses and

telephone numbers for the Office of Health Facility Complaints and the area nursing home ombudsman pursuant to the Older Americans Act, section 307(a)(12) shall be posted in a conspicuous place.

Every acute care inpatient facility, every residential program as defined in ~~section 253C.01~~ subdivision 2, every nonacute care facility, and every facility employing more than two people that provides outpatient mental health services shall have a written internal grievance procedure that, at a minimum, sets forth the process to be followed; specifies time limits, including time limits for facility response; provides for the patient or resident to have the assistance of an advocate; requires a written response to written grievances; and provides for a timely decision by an impartial decision maker if the grievance is not otherwise resolved. Compliance by hospitals, residential programs as defined in ~~section 253C.01~~ subdivision 2 which are hospital-based primary treatment programs, and outpatient surgery centers with section 144.691 and compliance by health maintenance organizations with section 62D.11 is deemed to be compliance with the requirement for a written internal grievance procedure.

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

Sec. 11. Minnesota Statutes 2024, section 144.651, subdivision 31, is amended to read:

Subd. 31. **Isolation and restraints.** A minor patient who has been admitted to a residential program as defined in ~~section 253C.01~~ subdivision 2 has the right to be free from physical restraint and isolation except in emergency situations involving a likelihood that the patient will physically harm the patient's self or others. These procedures may not be used for disciplinary purposes, to enforce program rules, or for the convenience of staff. Isolation or restraint may be used only upon the prior authorization of a physician, advanced practice registered nurse, physician assistant, psychiatrist, or licensed psychologist, only when less restrictive measures are ineffective or not feasible and only for the shortest time necessary.

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

Sec. 12. Minnesota Statutes 2024, section 144.651, subdivision 32, is amended to read:

Subd. 32. **Treatment plan.** A minor patient who has been admitted to a residential program as defined in ~~section 253C.01~~ subdivision 2 has the right to a written treatment plan that describes in behavioral terms the case problems, the precise goals of the plan, and the procedures that will be utilized to minimize the length of time that the minor requires inpatient treatment. The plan shall also state goals for release to a less restrictive facility

and follow-up treatment measures and services, if appropriate. To the degree possible, the minor patient and the minor patient's parents or guardian shall be involved in the development of the treatment and discharge plan.

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

Sec. 13. Minnesota Statutes 2024, section 144A.07, is amended to read:

144A.07 FEES.

Each application for a license to operate a nursing home, or for a renewal of license, except an application by the Minnesota Veterans Home or the ~~commissioner of human services~~ Direct Care and Treatment executive board for the licensing of state institutions, shall be accompanied by a fee to be prescribed by the commissioner of health pursuant to section 144.122. No fee shall be refunded.

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

Sec. 14. Minnesota Statutes 2024, section 146A.08, subdivision 4, is amended to read:

Subd. 4. **Examination; access to medical data.** (a) If the commissioner has probable cause to believe that an unlicensed complementary and alternative health care practitioner has engaged in conduct prohibited by subdivision 1, paragraph (h), (i), (j), or (k), the commissioner may issue an order directing the practitioner to submit to a mental or physical examination or substance use disorder evaluation. For the purpose of this subdivision, every unlicensed complementary and alternative health care practitioner is deemed to have consented to submit to a mental or physical examination or substance use disorder evaluation when ordered to do so in writing by the commissioner and further to have waived all objections to the admissibility of the testimony or examination reports of the health care provider performing the examination or evaluation on the grounds that the same constitute a privileged communication. Failure of an unlicensed complementary and alternative health care practitioner to submit to an examination or evaluation when ordered, unless the failure was due to circumstances beyond the practitioner's control, constitutes an admission that the unlicensed complementary and alternative health care practitioner violated subdivision 1, paragraph (h), (i), (j), or (k), based on the factual specifications in the examination or evaluation order and may result in a default and final disciplinary order being entered after a contested case hearing. An unlicensed complementary and alternative health care practitioner affected under this paragraph shall at reasonable intervals be given an opportunity to demonstrate that the practitioner can resume the provision of complementary and alternative health care practices with reasonable safety to clients. In any proceeding under

this paragraph, neither the record of proceedings nor the orders entered by the commissioner shall be used against an unlicensed complementary and alternative health care practitioner in any other proceeding.

(b) In addition to ordering a physical or mental examination or substance use disorder evaluation, the commissioner may, notwithstanding section 13.384; 144.651; 595.02; or any other law limiting access to medical or other health data, obtain medical data and health records relating to an unlicensed complementary and alternative health care practitioner without the practitioner's consent if the commissioner has probable cause to believe that a practitioner has engaged in conduct prohibited by subdivision 1, paragraph (h), (i), (j), or (k). The medical data may be requested from a provider as defined in section 144.291, subdivision 2, paragraph (i), an insurance company, or a government agency, including the Department of Human Services and Direct Care and Treatment. A provider, insurance company, or government agency shall comply with any written request of the commissioner under this subdivision and is not liable in any action for damages for releasing the data requested by the commissioner if the data are released pursuant to a written request under this subdivision, unless the information is false and the person or organization giving the information knew or had reason to believe the information was false. Information obtained under this subdivision is private data under section 13.41.

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

Sec. 15. Minnesota Statutes 2024, section 147.091, subdivision 6, is amended to read:

Subd. 6. Mental examination; access to medical data. (a) If the board has probable cause to believe that a regulated person comes under subdivision 1, paragraph (1), it may direct the person to submit to a mental or physical examination. For the purpose of this subdivision every regulated person is deemed to have consented to submit to a mental or physical examination when directed in writing by the board and further to have waived all objections to the admissibility of the examining physicians' testimony or examination reports on the ground that the same constitute a privileged communication. Failure of a regulated person to submit to an examination when directed constitutes an admission of the allegations against the person, unless the failure was due to circumstance beyond the person's control, in which case a default and final order may be entered without the taking of testimony or presentation of evidence. A regulated person affected under this paragraph shall at reasonable intervals be given an opportunity to demonstrate that the person can resume the competent practice of the regulated profession with reasonable skill and safety to the public.

In any proceeding under this paragraph, neither the record of proceedings nor the orders entered by the board shall be used against a regulated person in any other proceeding.

(b) In addition to ordering a physical or mental examination, the board may, notwithstanding section 13.384, 144.651, or any other law limiting access to medical or other health data, obtain medical data and health records relating to a regulated person or applicant without the person's or applicant's consent if the board has probable cause to believe that a regulated person comes under subdivision 1, paragraph (1). The medical data may be requested from a provider, as defined in section 144.291, subdivision 2, paragraph (i), an insurance company, or a government agency, including the Department of Human Services and Direct Care and Treatment. A provider, insurance company, or government agency shall comply with any written request of the board under this subdivision and is not liable in any action for damages for releasing the data requested by the board if the data are released pursuant to a written request under this subdivision, unless the information is false and the provider giving the information knew, or had reason to believe, the information was false. Information obtained under this subdivision is classified as private under sections 13.01 to 13.87.

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

Sec. 16. Minnesota Statutes 2024, section 147A.13, subdivision 6, is amended to read:

Subd. 6. Mental examination; access to medical data. (a) If the board has probable cause to believe that a physician assistant comes under subdivision 1, clause (1), it may direct the physician assistant to submit to a mental or physical examination. For the purpose of this subdivision, every physician assistant licensed under this chapter is deemed to have consented to submit to a mental or physical examination when directed in writing by the board and further to have waived all objections to the admissibility of the examining physicians' testimony or examination reports on the ground that the same constitute a privileged communication. Failure of a physician assistant to submit to an examination when directed constitutes an admission of the allegations against the physician assistant, unless the failure was due to circumstance beyond the physician assistant's control, in which case a default and final order may be entered without the taking of testimony or presentation of evidence. A physician assistant affected under this subdivision shall at reasonable intervals be given an opportunity to demonstrate that the physician assistant can resume competent practice with reasonable skill and safety to patients. In any proceeding under this subdivision, neither the record of proceedings nor the orders entered by the board shall be used against a physician assistant in any other proceeding.

(b) In addition to ordering a physical or mental examination, the board may, notwithstanding sections 13.384, 144.651, or any other law limiting access to medical or other health data, obtain medical data and health records relating to a licensee or applicant without the licensee's or applicant's consent if the board has probable cause to believe that a physician assistant comes under subdivision 1, clause (1).

The medical data may be requested from a provider, as defined in section 144.291, subdivision 2, paragraph (i), an insurance company, or a government agency, including the Department of Human Services and Direct Care and Treatment. A provider, insurance company, or government agency shall comply with any written request of the board under this subdivision and is not liable in any action for damages for releasing the data requested by the board if the data are released pursuant to a written request under this subdivision, unless the information is false and the provider giving the information knew, or had reason to believe, the information was false. Information obtained under this subdivision is classified as private under chapter 13.

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

Sec. 17. Minnesota Statutes 2024, section 148.10, subdivision 1, is amended to read:

Subdivision 1. **Grounds.** (a) The state Board of Chiropractic Examiners may refuse to grant, or may revoke, suspend, condition, limit, restrict or qualify a license to practice chiropractic, or may cause the name of a person licensed to be removed from the records in the office of the court administrator of the district court for:

(1) advertising that is false or misleading; that violates a rule of the board; or that claims the cure of any condition or disease;

(2) the employment of fraud or deception in applying for a license or in passing the examination provided for in section 148.06 or conduct which subverts or attempts to subvert the licensing examination process;

(3) the practice of chiropractic under a false or assumed name or the impersonation of another practitioner of like or different name;

(4) the conviction of a crime involving moral turpitude;

(5) the conviction, during the previous five years, of a felony reasonably related to the practice of chiropractic;

(6) habitual intemperance in the use of alcohol or drugs;

(7) practicing under a license which has not been renewed;

64.1 (8) advanced physical or mental disability;

64.2 (9) the revocation or suspension of a license to practice chiropractic; or other disciplinary
64.3 action against the licensee; or the denial of an application for a license by the proper licensing
64.4 authority of another state, territory or country; or failure to report to the board that charges
64.5 regarding the person's license have been brought in another state or jurisdiction;

64.6 (10) the violation of, or failure to comply with, the provisions of sections 148.01 to
64.7 148.105, the rules of the state Board of Chiropractic Examiners, or a lawful order of the
64.8 board;

64.9 (11) unprofessional conduct;

64.10 (12) being unable to practice chiropractic with reasonable skill and safety to patients by
64.11 reason of illness, professional incompetence, senility, drunkenness, use of drugs, narcotics,
64.12 chemicals or any other type of material, or as a result of any mental or physical condition,
64.13 including deterioration through the aging process or loss of motor skills. If the board has
64.14 probable cause to believe that a person comes within this clause, it shall direct the person
64.15 to submit to a mental or physical examination. For the purpose of this clause, every person
64.16 licensed under this chapter shall be deemed to have given consent to submit to a mental or
64.17 physical examination when directed in writing by the board and further to have waived all
64.18 objections to the admissibility of the examining physicians' testimony or examination reports
64.19 on the ground that the same constitute a privileged communication. Failure of a person to
64.20 submit to such examination when directed shall constitute an admission of the allegations,
64.21 unless the failure was due to circumstances beyond the person's control, in which case a
64.22 default and final order may be entered without the taking of testimony or presentation of
64.23 evidence. A person affected under this clause shall at reasonable intervals be afforded an
64.24 opportunity to demonstrate that the person can resume the competent practice of chiropractic
64.25 with reasonable skill and safety to patients.

64.26 In addition to ordering a physical or mental examination, the board may, notwithstanding
64.27 section 13.384, 144.651, or any other law limiting access to health data, obtain health data
64.28 and health records relating to a licensee or applicant without the licensee's or applicant's
64.29 consent if the board has probable cause to believe that a doctor of chiropractic comes under
64.30 this clause. The health data may be requested from a provider, as defined in section 144.291,
64.31 subdivision 2, paragraph (i), an insurance company, or a government agency, including the
64.32 Department of Human Services and Direct Care and Treatment. A provider, insurance
64.33 company, or government agency shall comply with any written request of the board under
64.34 this subdivision and is not liable in any action for damages for releasing the data requested

65.1 by the board if the data are released pursuant to a written request under this subdivision,
65.2 unless the information is false and the provider or entity giving the information knew, or
65.3 had reason to believe, the information was false. Information obtained under this subdivision
65.4 is classified as private under sections 13.01 to 13.87.

65.5 In any proceeding under this clause, neither the record of proceedings nor the orders
65.6 entered by the board shall be used against a person in any other proceeding;

65.7 (13) aiding or abetting an unlicensed person in the practice of chiropractic, except that
65.8 it is not a violation of this clause for a doctor of chiropractic to employ, supervise, or delegate
65.9 functions to a qualified person who may or may not be required to obtain a license or
65.10 registration to provide health services if that person is practicing within the scope of the
65.11 license or registration or delegated authority;

65.12 (14) improper management of health records, including failure to maintain adequate
65.13 health records as described in clause (18), to comply with a patient's request made under
65.14 sections 144.291 to 144.298 or to furnish a health record or report required by law;

65.15 (15) failure to make reports required by section 148.102, subdivisions 2 and 5, or to
65.16 cooperate with an investigation of the board as required by section 148.104, or the submission
65.17 of a knowingly false report against another doctor of chiropractic under section 148.10,
65.18 subdivision 3;

65.19 (16) splitting fees, or promising to pay a portion of a fee or a commission, or accepting
65.20 a rebate;

65.21 (17) revealing a privileged communication from or relating to a patient, except when
65.22 otherwise required or permitted by law;

65.23 (18) failing to keep written chiropractic records justifying the course of treatment of the
65.24 patient, including, but not limited to, patient histories, examination results, test results, and
65.25 x-rays. Unless otherwise required by law, written records need not be retained for more
65.26 than seven years and x-rays need not be retained for more than four years;

65.27 (19) exercising influence on the patient or client in such a manner as to exploit the patient
65.28 or client for financial gain of the licensee or of a third party which shall include, but not be
65.29 limited to, the promotion or sale of services, goods, or appliances;

65.30 (20) gross or repeated malpractice or the failure to practice chiropractic at a level of
65.31 care, skill, and treatment which is recognized by a reasonably prudent chiropractor as being
65.32 acceptable under similar conditions and circumstances; or

(21) delegating professional responsibilities to a person when the licensee delegating such responsibilities knows or has reason to know that the person is not qualified by training, experience, or licensure to perform them.

(b) For the purposes of paragraph (a), clause (2), conduct that subverts or attempts to subvert the licensing examination process includes, but is not limited to: (1) conduct that violates the security of the examination materials, such as removing examination materials from the examination room or having unauthorized possession of any portion of a future, current, or previously administered licensing examination; (2) conduct that violates the standard of test administration, such as communicating with another examinee during administration of the examination, copying another examinee's answers, permitting another examinee to copy one's answers, or possessing unauthorized materials; or (3) impersonating an examinee or permitting an impersonator to take the examination on one's own behalf.

(c) For the purposes of paragraph (a), clauses (4) and (5), conviction as used in these subdivisions includes a conviction of an offense that if committed in this state would be deemed a felony without regard to its designation elsewhere, or a criminal proceeding where a finding or verdict of guilt is made or returned but the adjudication of guilt is either withheld or not entered.

(d) For the purposes of paragraph (a), clauses (4), (5), and (6), a copy of the judgment or proceeding under seal of the administrator of the court or of the administrative agency which entered the same shall be admissible into evidence without further authentication and shall constitute prima facie evidence of its contents.

(e) For the purposes of paragraph (a), clause (11), unprofessional conduct means any unethical, deceptive or deleterious conduct or practice harmful to the public, any departure from or the failure to conform to the minimal standards of acceptable chiropractic practice, or a willful or careless disregard for the health, welfare or safety of patients, in any of which cases proof of actual injury need not be established. Unprofessional conduct shall include, but not be limited to, the following acts of a chiropractor:

(1) gross ignorance of, or incompetence in, the practice of chiropractic;

(2) engaging in conduct with a patient that is sexual or may reasonably be interpreted by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning to a patient;

(3) performing unnecessary services;

(4) charging a patient an unconscionable fee or charging for services not rendered;

67.1 (5) directly or indirectly engaging in threatening, dishonest, or misleading fee collection
67.2 techniques;

67.3 (6) perpetrating fraud upon patients, third-party payors, or others, relating to the practice
67.4 of chiropractic, including violations of the Medicare or Medicaid laws or state medical
67.5 assistance laws;

67.6 (7) advertising that the licensee will accept for services rendered assigned payments
67.7 from any third-party payer as payment in full, if the effect is to give the impression of
67.8 eliminating the need of payment by the patient of any required deductible or co-payment
67.9 applicable in the patient's health benefit plan. As used in this clause, "advertise" means
67.10 solicitation by the licensee by means of handbills, posters, circulars, motion pictures, radio,
67.11 newspapers, television, or in any other manner. In addition to the board's power to punish
67.12 for violations of this clause, violation of this clause is also a misdemeanor;

67.13 (8) accepting for services rendered assigned payments from any third-party payer as
67.14 payment in full, if the effect is to eliminate the need of payment by the patient of any required
67.15 deductible or co-payment applicable in the patient's health benefit plan, except as hereinafter
67.16 provided; and

67.17 (9) any other act that the board by rule may define.

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

67.19 Sec. 18. Minnesota Statutes 2024, section 148.261, subdivision 5, is amended to read:

67.20 Subd. 5. **Examination; access to medical data.** The board may take the following
67.21 actions if it has probable cause to believe that grounds for disciplinary action exist under
67.22 subdivision 1, clause (9) or (10):

67.23 (a) It may direct the applicant or nurse to submit to a mental or physical examination or
67.24 substance use disorder evaluation. For the purpose of this subdivision, when a nurse licensed
67.25 under sections 148.171 to 148.285 is directed in writing by the board to submit to a mental
67.26 or physical examination or substance use disorder evaluation, that person is considered to
67.27 have consented and to have waived all objections to admissibility on the grounds of privilege.
67.28 Failure of the applicant or nurse to submit to an examination when directed constitutes an
67.29 admission of the allegations against the applicant or nurse, unless the failure was due to
67.30 circumstances beyond the person's control, and the board may enter a default and final order
67.31 without taking testimony or allowing evidence to be presented. A nurse affected under this
67.32 paragraph shall, at reasonable intervals, be given an opportunity to demonstrate that the
67.33 competent practice of professional, advanced practice registered, or practical nursing can

be resumed with reasonable skill and safety to patients. Neither the record of proceedings nor the orders entered by the board in a proceeding under this paragraph, may be used against a nurse in any other proceeding.

(b) It may, notwithstanding sections 13.384, 144.651, 595.02, or any other law limiting access to medical or other health data, obtain medical data and health records relating to a registered nurse, advanced practice registered nurse, licensed practical nurse, or applicant for a license without that person's consent. The medical data may be requested from a provider, as defined in section 144.291, subdivision 2, paragraph (i), an insurance company, or a government agency, including the Department of Human Services and Direct Care and Treatment. A provider, insurance company, or government agency shall comply with any written request of the board under this subdivision and is not liable in any action for damages for releasing the data requested by the board if the data are released pursuant to a written request under this subdivision unless the information is false and the provider giving the information knew, or had reason to believe, the information was false. Information obtained under this subdivision is classified as private data on individuals as defined in section 13.02.

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

Sec. 19. Minnesota Statutes 2024, section 148.754, is amended to read:

148.754 EXAMINATION; ACCESS TO MEDICAL DATA.

(a) If the board has probable cause to believe that a licensee comes under section 148.75, paragraph (a), clause (2), it may direct the licensee to submit to a mental or physical examination. For the purpose of this paragraph, every licensee is deemed to have consented to submit to a mental or physical examination when directed in writing by the board and further to have waived all objections to the admissibility of the examining physicians' testimony or examination reports on the ground that they constitute a privileged communication. Failure of the licensee to submit to an examination when directed constitutes an admission of the allegations against the person, unless the failure was due to circumstances beyond the person's control, in which case a default and final order may be entered without the taking of testimony or presentation of evidence. A licensee affected under this paragraph shall, at reasonable intervals, be given an opportunity to demonstrate that the person can resume the competent practice of physical therapy with reasonable skill and safety to the public.

(b) In any proceeding under paragraph (a), neither the record of proceedings nor the orders entered by the board shall be used against a licensee in any other proceeding.

(c) In addition to ordering a physical or mental examination, the board may, notwithstanding section 13.384, 144.651, or any other law limiting access to medical or other health data, obtain medical data and health records relating to a licensee or applicant without the person's or applicant's consent if the board has probable cause to believe that the person comes under paragraph (a). The medical data may be requested from a provider, as defined in section 144.291, subdivision 2, paragraph (i), an insurance company, or a government agency, including the Department of Human Services and Direct Care and Treatment. A provider, insurance company, or government agency shall comply with any written request of the board under this paragraph and is not liable in any action for damages for releasing the data requested by the board if the data are released pursuant to a written request under this paragraph, unless the information is false and the provider giving the information knew, or had reason to believe, the information was false. Information obtained under this paragraph is classified as private under sections 13.01 to 13.87.

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

Sec. 20. Minnesota Statutes 2024, section 148B.5905, is amended to read:

**148B.5905 MENTAL, PHYSICAL, OR SUBSTANCE USE DISORDER
EXAMINATION OR EVALUATION; ACCESS TO MEDICAL DATA.**

(a) If the board has probable cause to believe section 148B.59, paragraph (a), clause (9), applies to a licensee or applicant, the board may direct the person to submit to a mental, physical, or substance use disorder examination or evaluation. For the purpose of this section, every licensee and applicant is deemed to have consented to submit to a mental, physical, or substance use disorder examination or evaluation when directed in writing by the board and to have waived all objections to the admissibility of the examining professionals' testimony or examination reports on the grounds that the testimony or examination reports constitute a privileged communication. Failure of a licensee or applicant to submit to an examination when directed by the board constitutes an admission of the allegations against the person, unless the failure was due to circumstances beyond the person's control, in which case a default and final order may be entered without the taking of testimony or presentation of evidence. A licensee or applicant affected under this paragraph shall at reasonable intervals be given an opportunity to demonstrate that the person can resume the competent practice of licensed professional counseling with reasonable skill and safety to the public. In any proceeding under this paragraph, neither the record of proceedings nor the orders entered by the board shall be used against a licensee or applicant in any other proceeding.

(b) In addition to ordering a physical or mental examination, the board may, notwithstanding section 13.384, 144.651, or any other law limiting access to medical or other health data, obtain medical data and health records relating to a licensee or applicant without the licensee's or applicant's consent if the board has probable cause to believe that section 148B.59, paragraph (a), clause (9), applies to the licensee or applicant. The medical data may be requested from a provider, as defined in section 144.291, subdivision 2, paragraph (i); an insurance company; or a government agency, including the Department of Human Services and Direct Care and Treatment. A provider, insurance company, or government agency shall comply with any written request of the board under this subdivision and is not liable in any action for damages for releasing the data requested by the board if the data are released pursuant to a written request under this subdivision, unless the information is false and the provider giving the information knew, or had reason to believe, the information was false. Information obtained under this subdivision is classified as private under sections 13.01 to 13.87.

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

Sec. 21. Minnesota Statutes 2024, section 148F.09, subdivision 6, is amended to read:

Subd. 6. **Mental, physical, or chemical health evaluation.** (a) If the board has probable cause to believe that an applicant or licensee is unable to practice alcohol and drug counseling with reasonable skill and safety due to a mental or physical illness or condition, the board may direct the individual to submit to a mental, physical, or chemical dependency examination or evaluation.

(1) For the purposes of this section, every licensee and applicant is deemed to have consented to submit to a mental, physical, or chemical dependency examination or evaluation when directed in writing by the board and to have waived all objections to the admissibility of the examining professionals' testimony or examination reports on the grounds that the testimony or examination reports constitute a privileged communication.

(2) Failure of a licensee or applicant to submit to an examination when directed by the board constitutes an admission of the allegations against the person, unless the failure was due to circumstances beyond the person's control, in which case a default and final order may be entered without the taking of testimony or presentation of evidence.

(3) A licensee or applicant affected under this subdivision shall at reasonable intervals be given an opportunity to demonstrate that the licensee or applicant can resume the competent practice of licensed alcohol and drug counseling with reasonable skill and safety to the public.

(4) In any proceeding under this subdivision, neither the record of proceedings nor the orders entered by the board shall be used against the licensee or applicant in any other proceeding.

(b) In addition to ordering a physical or mental examination, the board may, notwithstanding section 13.384 or sections 144.291 to 144.298, or any other law limiting access to medical or other health data, obtain medical data and health records relating to a licensee or applicant without the licensee's or applicant's consent if the board has probable cause to believe that subdivision 1, clause (9), applies to the licensee or applicant. The medical data may be requested from:

(1) a provider, as defined in section 144.291, subdivision 2, paragraph (i);

(2) an insurance company; or

(3) a government agency, including the Department of Human Services and Direct Care and Treatment.

(c) A provider, insurance company, or government agency must comply with any written request of the board under this subdivision and is not liable in any action for damages for releasing the data requested by the board if the data are released pursuant to a written request under this subdivision, unless the information is false and the provider giving the information knew, or had reason to believe, the information was false.

(d) Information obtained under this subdivision is private data on individuals as defined in section 13.02, subdivision 12.

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

Sec. 22. Minnesota Statutes 2024, section 150A.08, subdivision 6, is amended to read:

Subd. 6. **Medical records.** Notwithstanding contrary provisions of sections 13.384 and 144.651 or any other statute limiting access to medical or other health data, the board may obtain medical data and health records of a licensee or applicant without the licensee's or applicant's consent if the information is requested by the board as part of the process specified in subdivision 5. The medical data may be requested from a provider, as defined in section 144.291, subdivision 2, paragraph (h), an insurance company, or a government agency, including the Department of Human Services and Direct Care and Treatment. A provider, insurance company, or government agency shall comply with any written request of the board under this subdivision and shall not be liable in any action for damages for releasing the data requested by the board if the data are released pursuant to a written request under this subdivision, unless the information is false and the provider giving the information

72.1 knew, or had reason to believe, the information was false. Information obtained under this
72.2 subdivision shall be classified as private under the Minnesota Government Data Practices
72.3 Act.

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

72.5 Sec. 23. Minnesota Statutes 2024, section 151.071, subdivision 10, is amended to read:

72.6 Subd. 10. **Mental examination; access to medical data.** (a) If the board receives a
72.7 complaint and has probable cause to believe that an individual licensed or registered by the
72.8 board falls under subdivision 2, clause (14), it may direct the individual to submit to a mental
72.9 or physical examination. For the purpose of this subdivision, every licensed or registered
72.10 individual is deemed to have consented to submit to a mental or physical examination when
72.11 directed in writing by the board and further to have waived all objections to the admissibility
72.12 of the examining practitioner's testimony or examination reports on the grounds that the
72.13 same constitute a privileged communication. Failure of a licensed or registered individual
72.14 to submit to an examination when directed constitutes an admission of the allegations against
72.15 the individual, unless the failure was due to circumstances beyond the individual's control,
72.16 in which case a default and final order may be entered without the taking of testimony or
72.17 presentation of evidence. Pharmacists affected under this paragraph shall at reasonable
72.18 intervals be given an opportunity to demonstrate that they can resume the competent practice
72.19 of the profession of pharmacy with reasonable skill and safety to the public. Pharmacist
72.20 interns, pharmacy technicians, or controlled substance researchers affected under this
72.21 paragraph shall at reasonable intervals be given an opportunity to demonstrate that they can
72.22 competently resume the duties that can be performed, under this chapter or the rules of the
72.23 board, by similarly registered persons with reasonable skill and safety to the public. In any
72.24 proceeding under this paragraph, neither the record of proceedings nor the orders entered
72.25 by the board shall be used against a licensed or registered individual in any other proceeding.

72.26 (b) Notwithstanding section 13.384, 144.651, or any other law limiting access to medical
72.27 or other health data, the board may obtain medical data and health records relating to an
72.28 individual licensed or registered by the board, or to an applicant for licensure or registration,
72.29 without the individual's consent when the board receives a complaint and has probable cause
72.30 to believe that the individual is practicing in violation of subdivision 2, clause (14), and the
72.31 data and health records are limited to the complaint. The medical data may be requested
72.32 from a provider, as defined in section 144.291, subdivision 2, paragraph (i), an insurance
72.33 company, or a government agency, including the Department of Human Services and Direct
72.34 Care and Treatment. A provider, insurance company, or government agency shall comply

with any written request of the board under this subdivision and is not liable in any action for damages for releasing the data requested by the board if the data are released pursuant to a written request under this subdivision, unless the information is false and the provider giving the information knew, or had reason to believe, the information was false. Information obtained under this subdivision is classified as private under sections 13.01 to 13.87.

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

Sec. 24. Minnesota Statutes 2024, section 153.21, subdivision 2, is amended to read:

Subd. 2. **Access to medical data.** In addition to ordering a physical or mental examination or substance use disorder evaluation, the board may, notwithstanding section 13.384, 144.651, or any other law limiting access to medical or other health data, obtain medical data and health records relating to a licensee or applicant without the licensee's or applicant's consent if the board has probable cause to believe that a doctor of podiatric medicine falls within the provisions of section 153.19, subdivision 1, clause (12). The medical data may be requested from a provider, as defined in section 144.291, subdivision 2, paragraph (h), an insurance company, or a government agency, including the Department of Human Services and Direct Care and Treatment. A provider, insurance company, or government agency shall comply with any written request of the board under this section and is not liable in any action for damages for releasing the data requested by the board if the data are released in accordance with a written request under this section, unless the information is false and the provider giving the information knew, or had reason to believe, the information was false.

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

Sec. 25. Minnesota Statutes 2024, section 153B.70, is amended to read:

153B.70 GROUNDS FOR DISCIPLINARY ACTION.

(a) The board may refuse to issue or renew a license, revoke or suspend a license, or place on probation or reprimand a licensee for one or any combination of the following:

(1) making a material misstatement in furnishing information to the board;

(2) violating or intentionally disregarding the requirements of this chapter;

(3) conviction of a crime, including a finding or verdict of guilt, an admission of guilt, or a no-contest plea, in this state or elsewhere, reasonably related to the practice of the profession. Conviction, as used in this clause, includes a conviction of an offense which, if committed in this state, would be deemed a felony, gross misdemeanor, or misdemeanor,

74.1 without regard to its designation elsewhere, or a criminal proceeding where a finding or
74.2 verdict of guilty is made or returned but the adjudication of guilt is either withheld or not
74.3 entered;

74.4 (4) making a misrepresentation in order to obtain or renew a license;

74.5 (5) displaying a pattern of practice or other behavior that demonstrates incapacity or
74.6 incompetence to practice;

74.7 (6) aiding or assisting another person in violating the provisions of this chapter;

74.8 (7) failing to provide information within 60 days in response to a written request from
74.9 the board, including documentation of completion of continuing education requirements;

74.10 (8) engaging in dishonorable, unethical, or unprofessional conduct;

74.11 (9) engaging in conduct of a character likely to deceive, defraud, or harm the public;

74.12 (10) inability to practice due to habitual intoxication, addiction to drugs, or mental or
74.13 physical illness;

74.14 (11) being disciplined by another state or territory of the United States, the federal
74.15 government, a national certification organization, or foreign nation, if at least one of the
74.16 grounds for the discipline is the same or substantially equivalent to one of the grounds in
74.17 this section;

74.18 (12) directly or indirectly giving to or receiving from a person, firm, corporation,
74.19 partnership, or association a fee, commission, rebate, or other form of compensation for
74.20 professional services not actually or personally rendered;

74.21 (13) incurring a finding by the board that the licensee, after the licensee has been placed
74.22 on probationary status, has violated the conditions of the probation;

74.23 (14) abandoning a patient or client;

74.24 (15) willfully making or filing false records or reports in the course of the licensee's
74.25 practice including, but not limited to, false records or reports filed with state or federal
74.26 agencies;

74.27 (16) willfully failing to report child maltreatment as required under the Maltreatment of
74.28 Minors Act, chapter 260E; or

74.29 (17) soliciting professional services using false or misleading advertising.

74.30 (b) A license to practice is automatically suspended if (1) a guardian of a licensee is
74.31 appointed by order of a court pursuant to sections 524.5-101 to 524.5-502, for reasons other

than the minority of the licensee, or (2) the licensee is committed by order of a court pursuant to chapter 253B. The license remains suspended until the licensee is restored to capacity by a court and, upon petition by the licensee, the suspension is terminated by the board after a hearing. The licensee may be reinstated to practice, either with or without restrictions, by demonstrating clear and convincing evidence of rehabilitation. The regulated person is not required to prove rehabilitation if the subsequent court decision overturns previous court findings of public risk.

(c) If the board has probable cause to believe that a licensee or applicant has violated paragraph (a), clause (10), it may direct the person to submit to a mental or physical examination. For the purpose of this section, every person is deemed to have consented to submit to a mental or physical examination when directed in writing by the board and to have waived all objections to the admissibility of the examining physician's testimony or examination report on the grounds that the testimony or report constitutes a privileged communication. Failure of a regulated person to submit to an examination when directed constitutes an admission of the allegations against the person, unless the failure was due to circumstances beyond the person's control, in which case a default and final order may be entered without the taking of testimony or presentation of evidence. A regulated person affected under this paragraph shall at reasonable intervals be given an opportunity to demonstrate that the person can resume the competent practice of the regulated profession with reasonable skill and safety to the public. In any proceeding under this paragraph, neither the record of proceedings nor the orders entered by the board shall be used against a regulated person in any other proceeding.

(d) In addition to ordering a physical or mental examination, the board may, notwithstanding section 13.384 or 144.293, or any other law limiting access to medical or other health data, obtain medical data and health records relating to a licensee or applicant without the person's or applicant's consent if the board has probable cause to believe that a licensee is subject to paragraph (a), clause (10). The medical data may be requested from a provider as defined in section 144.291, subdivision 2, paragraph (i), an insurance company, or a government agency, including the Department of Human Services and Direct Care and Treatment. A provider, insurance company, or government agency shall comply with any written request of the board under this section and is not liable in any action for damages for releasing the data requested by the board if the data are released pursuant to a written request under this section, unless the information is false and the provider giving the information knew, or had reason to know, the information was false. Information obtained under this section is private data on individuals as defined in section 13.02.

(e) If the board issues an order of immediate suspension of a license, a hearing must be held within 30 days of the suspension and completed without delay.

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

Sec. 26. Minnesota Statutes 2024, section 168.012, subdivision 1, is amended to read:

Subdivision 1. **Vehicles exempt from tax, fees, or plate display.** (a) The following vehicles are exempt from the provisions of this chapter requiring payment of tax and registration fees, except as provided in subdivision 1c:

(1) vehicles owned and used solely in the transaction of official business by the federal government, the state, or any political subdivision;

(2) vehicles owned and used exclusively by educational institutions and used solely in the transportation of pupils to and from those institutions;

(3) vehicles used solely in driver education programs at nonpublic high schools;

(4) vehicles owned by nonprofit charities and used exclusively to transport disabled persons for charitable, religious, or educational purposes;

(5) vehicles owned by nonprofit charities and used exclusively for disaster response and related activities;

(6) vehicles owned by ambulance services licensed under section 144E.10 that are equipped and specifically intended for emergency response or providing ambulance services; and

(7) vehicles owned by a commercial driving school licensed under section 171.34, or an employee of a commercial driving school licensed under section 171.34, and the vehicle is used exclusively for driver education and training.

(b) Provided the general appearance of the vehicle is unmistakable, the following vehicles are not required to register or display number plates:

(1) vehicles owned by the federal government;

(2) fire apparatuses, including fire-suppression support vehicles, owned or leased by the state or a political subdivision;

(3) police patrols owned or leased by the state or a political subdivision; and

(4) ambulances owned or leased by the state or a political subdivision.

(c) Unmarked vehicles used in general police work, liquor investigations, or arson investigations, and passenger automobiles, pickup trucks, and buses owned or operated by the Department of Corrections or by conservation officers of the Division of Enforcement and Field Service of the Department of Natural Resources, must be registered and must display appropriate license number plates, furnished by the registrar at cost. Original and renewal applications for these license plates authorized for use in general police work and for use by the Department of Corrections or by conservation officers must be accompanied by a certification signed by the appropriate chief of police if issued to a police vehicle, the appropriate sheriff if issued to a sheriff's vehicle, the commissioner of corrections if issued to a Department of Corrections vehicle, or the appropriate officer in charge if issued to a vehicle of any other law enforcement agency. The certification must be on a form prescribed by the commissioner and state that the vehicle will be used exclusively for a purpose authorized by this section.

(d) Unmarked vehicles used by the Departments of Revenue and Labor and Industry, fraud unit, in conducting seizures or criminal investigations must be registered and must display passenger vehicle classification license number plates, furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the commissioner of revenue or the commissioner of labor and industry. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the purposes authorized by this section.

(e) Unmarked vehicles used by the Division of Disease Prevention and Control of the Department of Health must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the commissioner of health. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the Division of Disease Prevention and Control.

(f) Unmarked vehicles used by staff of the Gambling Control Board in gambling investigations and reviews must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the board chair. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the Gambling Control Board.

(g) Unmarked vehicles used in general investigation, surveillance, supervision, and monitoring by ~~the Department of Human Services' Office of Special Investigations' staff;~~
~~the Minnesota Sex Offender Program's executive director and the executive director's staff;~~
and the Office of Inspector General's staff, including, but not limited to, county fraud prevention investigators, must be registered and must display passenger vehicle classification license number plates, furnished by the registrar at cost. Original and renewal applications for passenger vehicle license plates must be accompanied by a certification signed by the commissioner of human services. The certification must be on a form prescribed by the commissioner and state that the vehicles must be used exclusively for the official duties of the Office of Special Investigations' staff;
~~the Minnesota Sex Offender Program's executive director and the executive director's staff;~~ and the Office of the Inspector General's staff, including, but not limited to, contract and county fraud prevention investigators.

(h) Unmarked vehicles used in general investigation, surveillance, supervision, and monitoring by the Direct Care and Treatment Office of Special Investigations' staff and unmarked vehicles used by the Minnesota Sex Offender Program's executive director and the executive director's staff must be registered and must display passenger vehicle classification license number plates, furnished by the registrar at cost. Original and renewal applications for passenger vehicle license plates must be accompanied by a certification signed by the Direct Care and Treatment executive board. The certification must be on a form prescribed by the commissioner and state that the vehicles must be used exclusively for the official duties of the Minnesota Sex Offender Program's executive director and the executive director's staff, including but not limited to contract and county fraud prevention investigators.

~~(h)~~ (i) Each state hospital and institution for persons who are mentally ill and developmentally disabled may have one vehicle without the required identification on the sides of the vehicle. The vehicle must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the hospital administrator. The certification must be on a form prescribed by the ~~commissioner~~ Direct Care and Treatment executive board and state that the vehicles will be used exclusively for the official duties of the state hospital or institution.

~~(i)~~ (j) Each county social service agency may have vehicles used for child and vulnerable adult protective services without the required identification on the sides of the vehicle. The vehicles must be registered and must display passenger vehicle classification license number

plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the agency administrator. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the social service agency.

~~(j)~~ (k) Unmarked vehicles used in general investigation, surveillance, supervision, and monitoring by tobacco inspector staff of the Department of Human Services' Alcohol and Drug Abuse Division for the purposes of tobacco inspections, investigations, and reviews must be registered and must display passenger vehicle classification license number plates, furnished at cost by the registrar. Original and renewal applications for passenger vehicle license plates must be accompanied by a certification signed by the commissioner of human services. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively by tobacco inspector staff for the duties specified in this paragraph.

~~(k)~~ (l) All other motor vehicles must be registered and display tax-exempt number plates, furnished by the registrar at cost, except as provided in subdivision 1c. All vehicles required to display tax-exempt number plates must have the name of the state department or political subdivision, nonpublic high school operating a driver education program, licensed commercial driving school, or other qualifying organization or entity, plainly displayed on both sides of the vehicle. This identification must be in a color giving contrast with that of the part of the vehicle on which it is placed and must endure throughout the term of the registration. The identification must not be on a removable plate or placard and must be kept clean and visible at all times; except that a removable plate or placard may be utilized on vehicles leased or loaned to a political subdivision or to a nonpublic high school driver education program.

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

Sec. 27. Minnesota Statutes 2024, section 244.052, subdivision 4, is amended to read:

Subd. 4. **Law enforcement agency; disclosure of information to public.** (a) The law enforcement agency in the area where the predatory offender resides, expects to reside, is employed, or is regularly found, shall disclose to the public any information regarding the offender contained in the report forwarded to the agency under subdivision 3, paragraph (f), that is relevant and necessary to protect the public and to counteract the offender's dangerousness, consistent with the guidelines in paragraph (b). The extent of the information disclosed and the community to whom disclosure is made must relate to the level of danger

posed by the offender, to the offender's pattern of offending behavior, and to the need of community members for information to enhance their individual and collective safety.

(b) The law enforcement agency shall employ the following guidelines in determining the scope of disclosure made under this subdivision:

(1) if the offender is assigned to risk level I, the agency may maintain information regarding the offender within the agency and may disclose it to other law enforcement agencies. Additionally, the agency may disclose the information to any victims of or witnesses to the offense committed by the offender. The agency shall disclose the information to victims of the offense committed by the offender who have requested disclosure and to adult members of the offender's immediate household;

(2) if the offender is assigned to risk level II, the agency also may disclose the information to agencies and groups that the offender is likely to encounter for the purpose of securing those institutions and protecting individuals in their care while they are on or near the premises of the institution. These agencies and groups include the staff members of public and private educational institutions, day care establishments, and establishments and organizations that primarily serve individuals likely to be victimized by the offender. The agency also may disclose the information to individuals the agency believes are likely to be victimized by the offender. The agency's belief shall be based on the offender's pattern of offending or victim preference as documented in the information provided by the Department of Corrections ~~or~~, the Department of Human Services, or Direct Care and Treatment. The agency may disclose the information to property assessors, property inspectors, code enforcement officials, and child protection officials who are likely to visit the offender's home in the course of their duties;

(3) if the offender is assigned to risk level III, the agency shall disclose the information to the persons and entities described in clauses (1) and (2) and to other members of the community whom the offender is likely to encounter, unless the law enforcement agency determines that public safety would be compromised by the disclosure or that a more limited disclosure is necessary to protect the identity of the victim.

Notwithstanding the assignment of a predatory offender to risk level II or III, a law enforcement agency may not make the disclosures permitted or required by clause (2) or (3), if: the offender is placed or resides in a residential facility. However, if an offender is placed or resides in a residential facility, the offender and the head of the facility shall designate the offender's likely residence upon release from the facility and the head of the facility shall notify the commissioner of corrections ~~or~~, the commissioner of human services,

81.1 or the Direct Care and Treatment executive board of the offender's likely residence at least
81.2 14 days before the offender's scheduled release date. The commissioner shall give this
81.3 information to the law enforcement agency having jurisdiction over the offender's likely
81.4 residence. The head of the residential facility also shall notify the commissioner of corrections
81.5 ~~or, the commissioner of human services,~~ or the Direct Care and Treatment executive board
81.6 within 48 hours after finalizing the offender's approved relocation plan to a permanent
81.7 residence. Within five days after receiving this notification, the appropriate commissioner
81.8 shall give to the appropriate law enforcement agency all relevant information the
81.9 commissioner has concerning the offender, including information on the risk factors in the
81.10 offender's history and the risk level to which the offender was assigned. After receiving this
81.11 information, the law enforcement agency shall make the disclosures permitted or required
81.12 by clause (2) or (3), as appropriate.

81.13 (c) As used in paragraph (b), clauses (2) and (3), "likely to encounter" means that:

81.14 (1) the organizations or community members are in a location or in close proximity to
81.15 a location where the offender lives or is employed, or which the offender visits or is likely
81.16 to visit on a regular basis, other than the location of the offender's outpatient treatment
81.17 program; and

81.18 (2) the types of interaction which ordinarily occur at that location and other circumstances
81.19 indicate that contact with the offender is reasonably certain.

81.20 (d) A law enforcement agency or official who discloses information under this subdivision
81.21 shall make a good faith effort to make the notification within 14 days of receipt of a
81.22 confirmed address from the Department of Corrections indicating that the offender will be,
81.23 or has been, released from confinement, or accepted for supervision, or has moved to a new
81.24 address and will reside at the address indicated. If a change occurs in the release plan, this
81.25 notification provision does not require an extension of the release date.

81.26 (e) A law enforcement agency or official who discloses information under this subdivision
81.27 shall not disclose the identity or any identifying characteristics of the victims of or witnesses
81.28 to the offender's offenses.

81.29 (f) A law enforcement agency shall continue to disclose information on an offender as
81.30 required by this subdivision for as long as the offender is required to register under section
81.31 243.166. This requirement on a law enforcement agency to continue to disclose information
81.32 also applies to an offender who lacks a primary address and is registering under section
81.33 243.166, subdivision 3a.

82.1 (g) A law enforcement agency that is disclosing information on an offender assigned to
82.2 risk level III to the public under this subdivision shall inform the commissioner of corrections
82.3 what information is being disclosed and forward this information to the commissioner within
82.4 two days of the agency's determination. The commissioner shall post this information on
82.5 the Internet as required in subdivision 4b.

82.6 (h) A city council may adopt a policy that addresses when information disclosed under
82.7 this subdivision must be presented in languages in addition to English. The policy may
82.8 address when information must be presented orally, in writing, or both in additional languages
82.9 by the law enforcement agency disclosing the information. The policy may provide for
82.10 different approaches based on the prevalence of non-English languages in different
82.11 neighborhoods.

82.12 (i) An offender who is the subject of a community notification meeting held pursuant
82.13 to this section may not attend the meeting.

82.14 (j) When a school, day care facility, or other entity or program that primarily educates
82.15 or serves children receives notice under paragraph (b), clause (3), that a level III predatory
82.16 offender resides or works in the surrounding community, notice to parents must be made
82.17 as provided in this paragraph. If the predatory offender identified in the notice is participating
82.18 in programs offered by the facility that require or allow the person to interact with children
82.19 other than the person's children, the principal or head of the entity must notify parents with
82.20 children at the facility of the contents of the notice received pursuant to this section. The
82.21 immunity provisions of subdivision 7 apply to persons disclosing information under this
82.22 paragraph.

82.23 (k) When an offender for whom notification was made under this subdivision no longer
82.24 resides, is employed, or is regularly found in the area, and the law enforcement agency that
82.25 made the notification is aware of this, the agency shall inform the entities and individuals
82.26 initially notified of the change in the offender's status. If notification was made under
82.27 paragraph (b), clause (3), the agency shall provide the updated information required under
82.28 this paragraph in a manner designed to ensure a similar scope of dissemination. However,
82.29 the agency is not required to hold a public meeting to do so.

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

82.31 Sec. 28. Minnesota Statutes 2024, section 245.50, subdivision 2, is amended to read:

82.32 Subd. 2. **Purpose and authority.** (a) The purpose of this section is to enable appropriate
82.33 treatment or detoxification services to be provided to individuals, across state lines from

83.1 the individual's state of residence, in qualified facilities that are closer to the homes of
83.2 individuals than are facilities available in the individual's home state.

83.3 (b) Unless prohibited by another law and subject to the exceptions listed in subdivision
83.4 3, a county board ~~or~~ the commissioner of human services, or the Direct Care and Treatment
83.5 executive board may contract with an agency or facility in a bordering state for mental
83.6 health, chemical health, or detoxification services for residents of Minnesota, and a Minnesota
83.7 mental health, chemical health, or detoxification agency or facility may contract to provide
83.8 services to residents of bordering states. Except as provided in subdivision 5, a person who
83.9 receives services in another state under this section is subject to the laws of the state in
83.10 which services are provided. A person who will receive services in another state under this
83.11 section must be informed of the consequences of receiving services in another state, including
83.12 the implications of the differences in state laws, to the extent the individual will be subject
83.13 to the laws of the receiving state.

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

83.15 Sec. 29. Minnesota Statutes 2024, section 245.91, subdivision 2, is amended to read:

83.16 Subd. 2. **Agency.** "Agency" means the divisions, officials, or employees of the state
83.17 Departments of Human Services, ~~Direct Care and Treatment~~, Health, and Education; Direct
83.18 Care and Treatment; and of local school districts and designated county social service
83.19 agencies as defined in section 256G.02, subdivision 7, that are engaged in monitoring,
83.20 providing, or regulating services or treatment for mental illness, developmental disability,
83.21 substance use disorder, or emotional disturbance.

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

83.23 Sec. 30. Minnesota Statutes 2024, section 246.585, is amended to read:

83.24 **246.585 CRISIS SERVICES.**

83.25 Within the limits of appropriations, state-operated regional technical assistance must be
83.26 available in each region to assist counties, Tribal Nations, residential and ~~day programming~~
83.27 ~~staff~~ vocational service providers, ~~and families~~, and persons with disabilities to prevent or
83.28 resolve crises that could lead to a ~~change in placement~~ person moving to a less integrated
83.29 setting. ~~Crisis capacity must be provided on all regional treatment center campuses serving~~
83.30 ~~persons with developmental disabilities~~. In addition, crisis capacity may be developed to
83.31 serve 16 persons in the Twin Cities metropolitan area. ~~Technical assistance and consultation~~

84.1 ~~must also be available in each region to providers and counties.~~ Staff must be available to
84.2 provide:

84.3 (1) individual assessments;

84.4 (2) program plan development and implementation assistance;

84.5 (3) analysis of service delivery problems; and

84.6 (4) assistance with transition planning, including technical assistance to counties, Tribal
84.7 Nations, and service providers to develop new services, site the new services, and assist
84.8 with community acceptance.

84.9 Sec. 31. Minnesota Statutes 2024, section 246C.06, subdivision 11, is amended to read:

84.10 Subd. 11. **Rulemaking.** (a) The executive board is authorized to adopt, amend, and
84.11 repeal rules in accordance with chapter 14 to the extent necessary to implement this chapter
84.12 or any responsibilities of Direct Care and Treatment specified in state law. The 18-month
84.13 time limit under section 14.125 does not apply to the rulemaking authority under this
84.14 subdivision.

84.15 (b) Until July 1, 2027, the executive board may adopt rules using the expedited
84.16 rulemaking process in section 14.389.

84.17 (c) In accordance with section 15.039, all orders, rules, delegations, permits, and other
84.18 privileges issued or granted by the Department of Human Services with respect to any
84.19 function of Direct Care and Treatment and in effect at the time of the establishment of Direct
84.20 Care and Treatment shall continue in effect as if such establishment had not occurred. The
84.21 executive board may amend or repeal rules applicable to Direct Care and Treatment that
84.22 were established by the Department of Human Services in accordance with chapter 14.

84.23 (d) The executive board must not adopt rules that go into effect or enforce rules prior
84.24 to July 1, 2025.

84.25 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2024.

84.26 Sec. 32. Minnesota Statutes 2024, section 246C.12, subdivision 6, is amended to read:

84.27 Subd. 6. ~~Dissemination of Admission and stay criteria; dissemination.~~ (a) The
84.28 executive board shall establish standard admission and continued-stay criteria for
84.29 state-operated services facilities to ensure that appropriate services are provided in the least
84.30 restrictive setting.

(b) The executive board shall periodically disseminate criteria for admission and continued stay in a state-operated services facility. The executive board shall disseminate the criteria to the courts of the state and counties.

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

Sec. 33. Minnesota Statutes 2024, section 246C.20, is amended to read:

246C.20 CONTRACT WITH DEPARTMENT OF HUMAN SERVICES FOR ADMINISTRATIVE SERVICES.

(a) Direct Care and Treatment shall contract with the Department of Human Services to provide determinations on issues of county of financial responsibility under chapter 256G and to provide administrative and judicial review of direct care and treatment matters according to section 256.045.

(b) The executive board may prescribe rules necessary to carry out this ~~subdivision~~ section, except that the executive board must not create any rule purporting to control the decision making or processes of state human services judges under section 256.045, subdivision 4, or the decision making or processes of the commissioner of human services issuing an advisory opinion or recommended order to the executive board under section 256G.09, subdivision 3. The executive board must not create any rule purporting to control processes for determinations of financial responsibility under chapter 256G or administrative and judicial review under section 256.045 on matters outside of the jurisdiction of Direct Care and Treatment.

(c) The executive board and commissioner of human services may adopt joint rules necessary to accomplish the purposes of this section.

Sec. 34. **[246C.21] INTERVIEW EXPENSES.**

Job applicants for professional, administrative, or highly technical positions recruited by the Direct Care and Treatment executive board may be reimbursed for necessary travel expenses to and from interviews arranged by the Direct Care and Treatment executive board.

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

Sec. 35. **[246C.211] FEDERAL GRANTS FOR MINNESOTA INDIANS.**

The Direct Care and Treatment executive board is authorized to enter into contracts with the United States Departments of Health and Human Services; Education; and Interior,

86.1 Bureau of Indian Affairs, for the purposes of receiving federal grants for the welfare and
86.2 relief of Minnesota Indians.

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

86.4 Sec. 36. Minnesota Statutes 2024, section 252.291, subdivision 3, is amended to read:

86.5 Subd. 3. **Duties of commissioner of human services.** The commissioner shall:

86.6 (1) ~~establish standard admission criteria for state hospitals and~~ county utilization targets
86.7 to limit and reduce the number of intermediate care beds in state hospitals and community
86.8 facilities in accordance with approved waivers under United States Code, title 42, sections
86.9 1396 to 1396p, as amended through December 31, 1987, to ~~assure~~ ensure that appropriate
86.10 services are provided in the least restrictive setting;

86.11 (2) define services, including respite care, that may be needed in meeting individual
86.12 service plan objectives;

86.13 (3) provide technical assistance so that county boards may establish a request for proposal
86.14 system for meeting individual service plan objectives through home and community-based
86.15 services; alternative community services; or, if no other alternative will meet the needs of
86.16 identifiable individuals for whom the county is financially responsible, a new intermediate
86.17 care facility for persons with developmental disabilities;

86.18 (4) establish a client tracking and evaluation system as required under applicable federal
86.19 waiver regulations, Code of Federal Regulations, title 42, sections 431, 435, 440, and 441,
86.20 as amended through December 31, 1987; and

86.21 (5) develop a state plan for the delivery and funding of residential day and support
86.22 services to persons with developmental disabilities in Minnesota. The biennial developmental
86.23 disability plan shall include but not be limited to:

86.24 (i) county by county maximum intermediate care bed utilization quotas;

86.25 (ii) plans for the development of the number and types of services alternative to
86.26 intermediate care beds;

86.27 (iii) procedures for the administration and management of the plan;

86.28 (iv) procedures for the evaluation of the implementation of the plan; and

86.29 (v) the number, type, and location of intermediate care beds targeted for decertification.

86.30 The commissioner shall modify the plan to ensure conformance with the medical
86.31 assistance home and community-based services waiver.

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

87.2 Sec. 37. Minnesota Statutes 2024, section 252.50, subdivision 5, is amended to read:

87.3 Subd. 5. **Location of programs.** (a) In determining the location of state-operated,
87.4 community-based programs, the needs of the individual client shall be paramount. The
87.5 executive board shall also take into account:

87.6 (1) prioritization of ~~beds~~ services in state-operated, community-based programs for
87.7 individuals with complex behavioral needs that cannot be met by private community-based
87.8 providers;

87.9 (2) choices made by individuals who chose to move to a more integrated setting, and
87.10 shall coordinate with the lead agency to ensure that appropriate person-centered transition
87.11 plans are created;

87.12 (3) the personal preferences of the persons being served and their families as determined
87.13 by Minnesota Rules, parts 9525.0004 to 9525.0036;

87.14 (4) the location of the support services established by the individual service plans of the
87.15 persons being served;

87.16 (5) the appropriate grouping of the persons served;

87.17 (6) the availability of qualified staff;

87.18 (7) the need for state-operated, community-based programs in the geographical region
87.19 of the state; and

87.20 (8) a reasonable commuting distance from a regional treatment center or the residences
87.21 of the program staff.

87.22 (b) The executive board must locate state-operated, community-based programs in
87.23 coordination with the commissioner of human services according to section 252.28.

87.24 Sec. 38. Minnesota Statutes 2024, section 253B.07, subdivision 2b, is amended to read:

87.25 Subd. 2b. **Apprehend and hold orders.** (a) The court may order the treatment facility
87.26 or state-operated treatment program to hold the proposed patient or direct a health officer,
87.27 peace officer, or other person to take the proposed patient into custody and transport the
87.28 proposed patient to a treatment facility or state-operated treatment program for observation,
87.29 evaluation, diagnosis, care, treatment, and, if necessary, confinement, when:

88.1 (1) there has been a particularized showing by the petitioner that serious physical harm
88.2 to the proposed patient or others is likely unless the proposed patient is immediately
88.3 apprehended;

88.4 (2) the proposed patient has not voluntarily appeared for the examination or the
88.5 commitment hearing pursuant to the summons; or

88.6 (3) a person is held pursuant to section 253B.051 and a request for a petition for
88.7 commitment has been filed.

88.8 (b) The order of the court may be executed on any day and at any time by the use of all
88.9 necessary means including the imposition of necessary restraint upon the proposed patient.
88.10 Where possible, a peace officer taking the proposed patient into custody pursuant to this
88.11 subdivision shall not be in uniform and shall not use a vehicle visibly marked as a law
88.12 enforcement vehicle. Except as provided in section 253D.10, subdivision 2, in the case of
88.13 an individual on a judicial hold due to a petition for civil commitment under chapter 253D,
88.14 assignment of custody during the hold is to the ~~commissioner~~ executive board. The
88.15 ~~commissioner~~ executive board is responsible for determining the appropriate placement
88.16 within a secure treatment facility under the authority of the ~~commissioner~~ executive board.

88.17 (c) A proposed patient must not be allowed or required to consent to nor participate in
88.18 a clinical drug trial while an order is in effect under this subdivision. A consent given while
88.19 an order is in effect is void and unenforceable. This paragraph does not prohibit a patient
88.20 from continuing participation in a clinical drug trial if the patient was participating in the
88.21 clinical drug trial at the time the order was issued under this subdivision.

88.22 Sec. 39. Minnesota Statutes 2024, section 253B.09, subdivision 3a, is amended to read:

88.23 Subd. 3a. **Reporting judicial commitments; private treatment program or**
88.24 **facility.** Notwithstanding section 253B.23, subdivision 9, when a court commits a patient
88.25 to a non-state-operated treatment facility or program, the court shall report the commitment
88.26 to the ~~commissioner~~ executive board through the supreme court information system for
88.27 purposes of providing commitment information for firearm background checks under section
88.28 246C.15. If the patient is committed to a state-operated treatment program, the court shall
88.29 send a copy of the commitment order to ~~the commissioner and~~ the executive board.

88.30 Sec. 40. Minnesota Statutes 2024, section 253B.10, subdivision 1, is amended to read:

88.31 Subdivision 1. **Administrative requirements.** (a) When a person is committed, the
88.32 court shall issue a warrant or an order committing the patient to the custody of the head of

89.1 the treatment facility, state-operated treatment program, or community-based treatment
89.2 program. The warrant or order shall state that the patient meets the statutory criteria for
89.3 civil commitment.

89.4 (b) The executive board shall prioritize civilly committed patients being admitted from
89.5 jail or a correctional institution or who are referred to a state-operated treatment facility for
89.6 competency attainment or a competency examination under sections 611.40 to 611.59 for
89.7 admission to a medically appropriate state-operated direct care and treatment bed based on
89.8 the decisions of physicians in the executive medical director's office, using a priority
89.9 admissions framework. The framework must account for a range of factors for priority
89.10 admission, including but not limited to:

89.11 (1) the length of time the person has been on a waiting list for admission to a
89.12 state-operated direct care and treatment program since the date of the order under paragraph
89.13 (a), or the date of an order issued under sections 611.40 to 611.59;

89.14 (2) the intensity of the treatment the person needs, based on medical acuity;

89.15 (3) the person's revoked provisional discharge status;

89.16 (4) the person's safety and safety of others in the person's current environment;

89.17 (5) whether the person has access to necessary or court-ordered treatment;

89.18 (6) distinct and articulable negative impacts of an admission delay on the facility referring
89.19 the individual for treatment; and

89.20 (7) any relevant federal prioritization requirements.

89.21 Patients described in this paragraph must be admitted to a state-operated treatment program
89.22 within ~~48 hours~~ the timelines specified in section 253B.1005. The commitment must be
89.23 ordered by the court as provided in section 253B.09, subdivision 1, paragraph (d). Patients
89.24 committed to a secure treatment facility or less restrictive setting as ordered by the court
89.25 under section 253B.18, subdivisions 1 and 2, must be prioritized for admission to a
89.26 state-operated treatment program using the priority admissions framework in this paragraph.

89.27 (c) Upon the arrival of a patient at the designated treatment facility, state-operated
89.28 treatment program, or community-based treatment program, the head of the facility or
89.29 program shall retain the duplicate of the warrant and endorse receipt upon the original
89.30 warrant or acknowledge receipt of the order. The endorsed receipt or acknowledgment must
89.31 be filed in the court of commitment. After arrival, the patient shall be under the control and
89.32 custody of the head of the facility or program.

(d) Copies of the petition for commitment, the court's findings of fact and conclusions of law, the court order committing the patient, the report of the court examiners, and the prepetition report, and any medical and behavioral information available shall be provided at the time of admission of a patient to the designated treatment facility or program to which the patient is committed. Upon a patient's referral to the executive board for admission pursuant to subdivision 1, paragraph (b), any inpatient hospital, treatment facility, jail, or correctional facility that has provided care or supervision to the patient in the previous two years shall, when requested by the treatment facility or executive board, provide copies of the patient's medical and behavioral records to the executive board for purposes of preadmission planning. This information shall be provided by the head of the treatment facility to treatment facility staff in a consistent and timely manner and pursuant to all applicable laws.

~~(e) Patients described in paragraph (b) must be admitted to a state-operated treatment program within 48 hours of the Office of Executive Medical Director, under section 246C.09, or a designee determining that a medically appropriate bed is available. This paragraph expires on June 30, 2025.~~

(f) Within four business days of determining which state-operated direct care and treatment program or programs are appropriate for an individual, the executive medical director's office or a designee must notify the source of the referral and the responsible county human services agency, the individual being ordered to direct care and treatment, and the district court that issued the order of the determination. The notice shall include which program or programs are appropriate for the person's priority status. Any interested person may provide additional information or request updated priority status about the individual to the executive medical director's office or a designee while the individual is awaiting admission. Updated Priority status of an individual will only be disclosed to interested persons who are legally authorized to receive private information about the individual. When an available bed has been identified, the executive medical director's office or a designee must notify the designated agency and the facility where the individual is awaiting admission that the individual has been accepted for admission to a particular state-operated direct care and treatment program and the earliest possible date the admission can occur. The designated agency or facility where the individual is awaiting admission must transport the individual to the admitting state-operated direct care and treatment program no more than 48 hours after the offered admission date.

91.1 Sec. 41. **[253B.1005] ADMISSION TIMELINES.**

91.2 **Subdivision 1. Admission required within 48 hours.** Unless required otherwise under
91.3 this subdivision, patients described in section 253B.10, subdivision 1, paragraph (b), must
91.4 be admitted to a state-operated treatment program within 48 hours.

91.5 **Subd. 2. Temporary alternative admission timeline.** Patients described in section
91.6 253B.10, subdivision 1, paragraph (b), must be admitted to a state-operated treatment
91.7 program within 48 hours of the Office of Executive Medical Director, under section 246C.09,
91.8 or a designee determining that a medically appropriate bed is available. This paragraph
91.9 expires on June 30, 2027.

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

91.11 Sec. 42. Minnesota Statutes 2024, section 253B.141, subdivision 2, is amended to read:

91.12 **Subd. 2. Apprehension; return to facility or program.** (a) Upon receiving the report
91.13 of absence from the head of the treatment facility, state-operated treatment program, or
91.14 community-based treatment program or the committing court, a patient may be apprehended
91.15 and held by a peace officer in any jurisdiction pending return to the facility or program from
91.16 which the patient is absent without authorization. A patient may also be returned to any
91.17 state-operated treatment program or any other treatment facility or community-based
91.18 treatment program willing to accept the person. A person who has a mental illness and is
91.19 dangerous to the public and detained under this subdivision may be held in a jail or lockup
91.20 only if:

91.21 (1) there is no other feasible place of detention for the patient;

91.22 (2) the detention is for less than 24 hours; and

91.23 (3) there are protections in place, including segregation of the patient, to ensure the
91.24 safety of the patient.

91.25 (b) If a patient is detained under this subdivision, the head of the facility or program
91.26 from which the patient is absent shall arrange to pick up the patient within 24 hours of the
91.27 time detention was begun and shall be responsible for securing transportation for the patient
91.28 to the facility or program. The expense of detaining and transporting a patient shall be the
91.29 responsibility of the facility or program from which the patient is absent. The expense of
91.30 detaining and transporting a patient to a state-operated treatment program shall be paid by
91.31 the ~~commissioner~~ executive board unless paid by the patient or persons on behalf of the
91.32 patient.

92.1 Sec. 43. Minnesota Statutes 2024, section 253B.18, subdivision 6, is amended to read:

92.2 Subd. 6. **Transfer.** (a) A patient who is a person who has a mental illness and is
92.3 dangerous to the public shall not be transferred out of a secure treatment facility unless it
92.4 appears to the satisfaction of the executive board, after a hearing and favorable
92.5 recommendation by a majority of the special review board, that the transfer is appropriate.
92.6 Transfer may be to another state-operated treatment program. In those instances where a
92.7 commitment also exists to the Department of Corrections, transfer may be to a facility
92.8 designated by the commissioner of corrections.

92.9 (b) The following factors must be considered in determining whether a transfer is
92.10 appropriate:

92.11 (1) the person's clinical progress and present treatment needs;

92.12 (2) the need for security to accomplish continuing treatment;

92.13 (3) the need for continued institutionalization;

92.14 (4) which facility can best meet the person's needs; and

92.15 (5) whether transfer can be accomplished with a reasonable degree of safety for the
92.16 public.

92.17 (c) If a committed person has been transferred out of a secure treatment facility pursuant
92.18 to this subdivision, that committed person may voluntarily return to a secure treatment
92.19 facility for a period of up to 60 days with the consent of the head of the treatment facility.

92.20 (d) If the committed person is not returned to the original, nonsecure transfer facility
92.21 within 60 days of being readmitted to a secure treatment facility, the transfer is revoked and
92.22 the committed person must remain in a secure treatment facility. The committed person
92.23 must immediately be notified in writing of the revocation.

92.24 (e) Within 15 days of receiving notice of the revocation, the committed person may
92.25 petition the special review board for a review of the revocation. The special review board
92.26 shall review the circumstances of the revocation and shall recommend to the ~~commissioner~~
92.27 executive board whether or not the revocation should be upheld. The special review board
92.28 may also recommend a new transfer at the time of the revocation hearing.

92.29 (f) No action by the special review board is required if the transfer has not been revoked
92.30 and the committed person is returned to the original, nonsecure transfer facility with no
92.31 substantive change to the conditions of the transfer ordered under this subdivision.

93.1 (g) The head of the treatment facility may revoke a transfer made under this subdivision
93.2 and require a committed person to return to a secure treatment facility if:

93.3 (1) remaining in a nonsecure setting does not provide a reasonable degree of safety to
93.4 the committed person or others; or

93.5 (2) the committed person has regressed clinically and the facility to which the committed
93.6 person was transferred does not meet the committed person's needs.

93.7 (h) Upon the revocation of the transfer, the committed person must be immediately
93.8 returned to a secure treatment facility. A report documenting the reasons for revocation
93.9 must be issued by the head of the treatment facility within seven days after the committed
93.10 person is returned to the secure treatment facility. Advance notice to the committed person
93.11 of the revocation is not required.

93.12 (i) The committed person must be provided a copy of the revocation report and informed,
93.13 orally and in writing, of the rights of a committed person under this section. The revocation
93.14 report must be served upon the committed person, the committed person's counsel, and the
93.15 designated agency. The report must outline the specific reasons for the revocation, including
93.16 but not limited to the specific facts upon which the revocation is based.

93.17 (j) If a committed person's transfer is revoked, the committed person may re-petition for
93.18 transfer according to subdivision 5.

93.19 (k) A committed person aggrieved by a transfer revocation decision may petition the
93.20 special review board within seven business days after receipt of the revocation report for a
93.21 review of the revocation. The matter must be scheduled within 30 days. The special review
93.22 board shall review the circumstances leading to the revocation and, after considering the
93.23 factors in paragraph (b), shall recommend to the ~~commissioner~~ executive board whether or
93.24 not the revocation shall be upheld. The special review board may also recommend a new
93.25 transfer out of a secure treatment facility at the time of the revocation hearing.

93.26 Sec. 44. Minnesota Statutes 2024, section 253B.19, subdivision 2, is amended to read:

93.27 Subd. 2. **Petition; hearing.** (a) A patient committed as a person who has a mental illness
93.28 and is dangerous to the public under section 253B.18, or the county attorney of the county
93.29 from which the patient was committed or the county of financial responsibility, may petition
93.30 the judicial appeal panel for a rehearing and reconsideration of a decision by the
93.31 ~~commissioner~~ executive board under section 253B.18, subdivision 5. The judicial appeal
93.32 panel must not consider petitions for relief other than those considered by the executive
93.33 board from which the appeal is taken. The petition must be filed with the supreme court

within 30 days after the decision of the executive board is signed. The hearing must be held within 45 days of the filing of the petition unless an extension is granted for good cause.

(b) For an appeal under paragraph (a), the supreme court shall refer the petition to the chief judge of the judicial appeal panel. The chief judge shall notify the patient, the county attorney of the county of commitment, the designated agency, the executive board, the head of the facility or program to which the patient was committed, any interested person, and other persons the chief judge designates, of the time and place of the hearing on the petition. The notice shall be given at least 14 days prior to the date of the hearing.

(c) Any person may oppose the petition. The patient, the patient's counsel, the county attorney of the committing county or the county of financial responsibility, and the executive board shall participate as parties to the proceeding pending before the judicial appeal panel and shall, except when the patient is committed solely as a person who has a mental illness and is dangerous to the public, no later than 20 days before the hearing on the petition, inform the judicial appeal panel and the opposing party in writing whether they support or oppose the petition and provide a summary of facts in support of their position. The judicial appeal panel may appoint court examiners and may adjourn the hearing from time to time. It shall hear and receive all relevant testimony and evidence and make a record of all proceedings. The patient, the patient's counsel, and the county attorney of the committing county or the county of financial responsibility have the right to be present and may present and cross-examine all witnesses and offer a factual and legal basis in support of their positions. The petitioning party seeking discharge or provisional discharge bears the burden of going forward with the evidence, which means presenting a prima facie case with competent evidence to show that the person is entitled to the requested relief. If the petitioning party has met this burden, the party opposing discharge or provisional discharge bears the burden of proof by clear and convincing evidence that the discharge or provisional discharge should be denied. A party seeking transfer under section 253B.18, subdivision 6, must establish by a preponderance of the evidence that the transfer is appropriate.

Sec. 45. Minnesota Statutes 2024, section 253D.29, subdivision 1, is amended to read:

Subdivision 1. **Factors.** (a) A person who is committed as a sexually dangerous person or a person with a sexual psychopathic personality shall not be transferred out of a secure treatment facility unless the transfer is appropriate. Transfer may be to ~~other treatment programs~~ a facility under the control of the executive board.

(b) The following factors must be considered in determining whether a transfer is appropriate:

- 95.1 (1) the person's clinical progress and present treatment needs;
- 95.2 (2) the need for security to accomplish continuing treatment;
- 95.3 (3) the need for continued institutionalization;
- 95.4 (4) which ~~other treatment program~~ facility can best meet the person's needs; and
- 95.5 (5) whether transfer can be accomplished with a reasonable degree of safety for the
- 95.6 public.

95.7 Sec. 46. Minnesota Statutes 2024, section 253D.29, subdivision 2, is amended to read:

95.8 Subd. 2. **Voluntary readmission to a secure treatment facility.** (a) After a committed

95.9 person has been transferred out of a secure treatment facility pursuant to subdivision 1 and

95.10 with the consent of the executive director, a committed person may voluntarily return to a

95.11 secure treatment facility for a period of up to 60 days.

95.12 (b) If the committed person is not returned to the ~~other treatment program~~ secure treatment

95.13 facility to which the person was originally transferred pursuant to subdivision 1 within 60

95.14 days of being readmitted to a secure treatment facility under this subdivision, the transfer

95.15 to the ~~other treatment program~~ secure treatment facility under subdivision 1 is revoked and

95.16 the committed person shall remain in a secure treatment facility. The committed person

95.17 shall immediately be notified in writing of the revocation.

95.18 (c) Within 15 days of receiving notice of the revocation, the committed person may

95.19 petition the special review board for a review of the revocation. The special review board

95.20 shall review the circumstances of the revocation and shall recommend to the judicial appeal

95.21 panel whether or not the revocation shall be upheld. The special review board may also

95.22 recommend a new transfer at the time of the revocation hearing.

95.23 (d) If the transfer has not been revoked and the committed person is to be returned to

95.24 the ~~other treatment program~~ facility to which the committed person was originally transferred

95.25 pursuant to subdivision 1 with no substantive change to the conditions of the transfer ordered

95.26 pursuant to subdivision 1, no action by the special review board or judicial appeal panel is

95.27 required.

95.28 Sec. 47. Minnesota Statutes 2024, section 253D.29, subdivision 3, is amended to read:

95.29 Subd. 3. **Revocation.** (a) The executive director may revoke a transfer made pursuant

95.30 to subdivision 1 and require a committed person to return to a secure treatment facility if:

96.1 (1) remaining in a nonsecure setting will not provide a reasonable degree of safety to
96.2 the committed person or others; or

96.3 (2) the committed person has regressed in clinical progress so that the ~~other treatment~~
96.4 ~~program~~ facility to which the committed person was transferred is no longer sufficient to
96.5 meet the committed person's needs.

96.6 (b) Upon the revocation of the transfer, the committed person shall be immediately
96.7 returned to a secure treatment facility. A report documenting reasons for revocation shall
96.8 be issued by the executive director within seven days after the committed person is returned
96.9 to the secure treatment facility. Advance notice to the committed person of the revocation
96.10 is not required.

96.11 (c) The committed person must be provided a copy of the revocation report and informed,
96.12 orally and in writing, of the rights of a committed person under this section. The revocation
96.13 report shall be served upon the committed person and the committed person's counsel. The
96.14 report shall outline the specific reasons for the revocation including, but not limited to, the
96.15 specific facts upon which the revocation is based.

96.16 (d) If a committed person's transfer is revoked, the committed person may re-petition
96.17 for transfer according to section 253D.27.

96.18 (e) Any committed person aggrieved by a transfer revocation decision may petition the
96.19 special review board within seven days, exclusive of Saturdays, Sundays, and legal holidays,
96.20 after receipt of the revocation report for a review of the revocation. The matter shall be
96.21 scheduled within 30 days. The special review board shall review the circumstances leading
96.22 to the revocation and, after considering the factors in subdivision 1, paragraph (b), shall
96.23 recommend to the judicial appeal panel whether or not the revocation shall be upheld. The
96.24 special review board may also recommend a new transfer out of a secure treatment facility
96.25 at the time of the revocation hearing.

96.26 Sec. 48. Minnesota Statutes 2024, section 253D.30, subdivision 4, is amended to read:

96.27 Subd. 4. **Voluntary readmission.** (a) With the consent of the executive director, a
96.28 committed person may voluntarily return to ~~the Minnesota Sex Offender Program~~ a secure
96.29 treatment facility from provisional discharge for a period of up to 60 days.

96.30 (b) If the committed person is not returned to provisional discharge status within 60 days
96.31 of being readmitted to ~~the Minnesota Sex Offender Program~~ a secure treatment facility, the
96.32 provisional discharge is revoked. The committed person shall immediately be notified of
96.33 the revocation in writing. Within 15 days of receiving notice of the revocation, the committed

97.1 person may request a review of the matter before the special review board. The special
97.2 review board shall review the circumstances of the revocation and, after applying the
97.3 standards in subdivision 5, paragraph (a), shall recommend to the judicial appeal panel
97.4 whether or not the revocation shall be upheld. The board may recommend a return to
97.5 provisional discharge status.

97.6 (c) If the provisional discharge has not been revoked and the committed person is to be
97.7 returned to provisional discharge, ~~the Minnesota Sex Offender Program is not required to~~
97.8 ~~petition for a further review by the special review board~~ no action by the special review
97.9 board or judicial appeal panel is required unless the committed person's return to the
97.10 community results in substantive change to the existing provisional discharge plan.

97.11 Sec. 49. Minnesota Statutes 2024, section 253D.30, subdivision 5, is amended to read:

97.12 Subd. 5. **Revocation.** (a) The executive director may revoke a provisional discharge if
97.13 either of the following grounds exist:

97.14 (1) the committed person has departed from the conditions of the provisional discharge
97.15 plan; or

97.16 (2) the committed person is exhibiting behavior which may be dangerous to self or
97.17 others.

97.18 (b) The executive director may revoke the provisional discharge and, either orally or in
97.19 writing, order that the committed person be immediately returned to a secure treatment
97.20 facility ~~or other treatment program~~. A report documenting reasons for revocation shall be
97.21 issued by the executive director within seven days after the committed person is returned
97.22 to the secure treatment facility ~~or other treatment program~~. Advance notice to the committed
97.23 person of the revocation is not required.

97.24 (c) The committed person must be provided a copy of the revocation report and informed,
97.25 orally and in writing, of the rights of a committed person under this section. The revocation
97.26 report shall be served upon the committed person, the committed person's counsel, and the
97.27 county attorneys of the county of commitment and the county of financial responsibility.
97.28 The report shall outline the specific reasons for the revocation, including but not limited to
97.29 the specific facts upon which the revocation is based.

97.30 (d) An individual who is revoked from provisional discharge must successfully re-petition
97.31 the special review board and judicial appeal panel prior to being placed back on provisional
97.32 discharge.

98.1 Sec. 50. Minnesota Statutes 2024, section 256.01, subdivision 2, is amended to read:

98.2 Subd. 2. **Specific powers.** Subject to the provisions of section 241.021, subdivision 2,
98.3 the commissioner of human services shall carry out the specific duties in paragraphs (a)
98.4 through (bb):

98.5 (a) Administer and supervise the forms of public assistance provided for by state law
98.6 and other welfare activities or services that are vested in the commissioner. Administration
98.7 and supervision of human services activities or services includes, but is not limited to,
98.8 assuring timely and accurate distribution of benefits, completeness of service, and quality
98.9 program management. In addition to administering and supervising human services activities
98.10 vested by law in the department, the commissioner shall have the authority to:

98.11 (1) require county agency participation in training and technical assistance programs to
98.12 promote compliance with statutes, rules, federal laws, regulations, and policies governing
98.13 human services;

98.14 (2) monitor, on an ongoing basis, the performance of county agencies in the operation
98.15 and administration of human services, enforce compliance with statutes, rules, federal laws,
98.16 regulations, and policies governing welfare services and promote excellence of administration
98.17 and program operation;

98.18 (3) develop a quality control program or other monitoring program to review county
98.19 performance and accuracy of benefit determinations;

98.20 (4) require county agencies to make an adjustment to the public assistance benefits issued
98.21 to any individual consistent with federal law and regulation and state law and rule and to
98.22 issue or recover benefits as appropriate;

98.23 (5) delay or deny payment of all or part of the state and federal share of benefits and
98.24 administrative reimbursement according to the procedures set forth in section 256.017;

98.25 (6) make contracts with and grants to public and private agencies and organizations,
98.26 both profit and nonprofit, and individuals, using appropriated funds; and

98.27 (7) enter into contractual agreements with federally recognized Indian Tribes with a
98.28 reservation in Minnesota to the extent necessary for the Tribe to operate a federally approved
98.29 family assistance program or any other program under the supervision of the commissioner.
98.30 The commissioner shall consult with the affected county or counties in the contractual
98.31 agreement negotiations, if the county or counties wish to be included, in order to avoid the
98.32 duplication of county and Tribal assistance program services. The commissioner may

99.1 establish necessary accounts for the purposes of receiving and disbursing funds as necessary
99.2 for the operation of the programs.

99.3 The commissioner shall work in conjunction with the commissioner of children, youth, and
99.4 families to carry out the duties of this paragraph when necessary and feasible.

99.5 (b) Inform county agencies, on a timely basis, of changes in statute, rule, federal law,
99.6 regulation, and policy necessary to county agency administration of the programs.

99.7 (c) Administer and supervise all noninstitutional service to persons with disabilities,
99.8 including persons who have vision impairments, and persons who are deaf, deafblind, and
99.9 hard-of-hearing or with other disabilities. The commissioner may provide and contract for
99.10 the care and treatment of qualified indigent children in facilities other than those located
99.11 and available at state hospitals operated by the executive board when it is not feasible to
99.12 provide the service in state hospitals operated by the executive board.

99.13 (d) Assist and actively cooperate with other departments, agencies and institutions, local,
99.14 state, and federal, by performing services in conformity with the purposes of Laws 1939,
99.15 chapter 431.

99.16 (e) Act as the agent of and cooperate with the federal government in matters of mutual
99.17 concern relative to and in conformity with the provisions of Laws 1939, chapter 431,
99.18 including the administration of any federal funds granted to the state to aid in the performance
99.19 of any functions of the commissioner as specified in Laws 1939, chapter 431, and including
99.20 the promulgation of rules making uniformly available medical care benefits to all recipients
99.21 of public assistance, at such times as the federal government increases its participation in
99.22 assistance expenditures for medical care to recipients of public assistance, the cost thereof
99.23 to be borne in the same proportion as are grants of aid to said recipients.

99.24 (f) Establish and maintain any administrative units reasonably necessary for the
99.25 performance of administrative functions common to all divisions of the department.

99.26 (g) Act as designated guardian of both the estate and the person of all the wards of the
99.27 state of Minnesota, whether by operation of law or by an order of court, without any further
99.28 act or proceeding whatever, except as to persons committed as developmentally disabled.

99.29 (h) Act as coordinating referral and informational center on requests for service for
99.30 newly arrived immigrants coming to Minnesota.

99.31 (i) The specific enumeration of powers and duties as hereinabove set forth shall in no
99.32 way be construed to be a limitation upon the general transfer of powers herein contained.

100.1 (j) Establish county, regional, or statewide schedules of maximum fees and charges
100.2 which may be paid by county agencies for medical, dental, surgical, hospital, nursing and
100.3 nursing home care and medicine and medical supplies under all programs of medical care
100.4 provided by the state and for congregate living care under the income maintenance programs.

100.5 (k) Have the authority to conduct and administer experimental projects to test methods
100.6 and procedures of administering assistance and services to recipients or potential recipients
100.7 of public welfare. To carry out such experimental projects, it is further provided that the
100.8 commissioner of human services is authorized to waive the enforcement of existing specific
100.9 statutory program requirements, rules, and standards in one or more counties. The order
100.10 establishing the waiver shall provide alternative methods and procedures of administration,
100.11 shall not be in conflict with the basic purposes, coverage, or benefits provided by law, and
100.12 in no event shall the duration of a project exceed four years. It is further provided that no
100.13 order establishing an experimental project as authorized by the provisions of this section
100.14 shall become effective until the following conditions have been met:

100.15 (1) the United States Secretary of Health and Human Services has agreed, for the same
100.16 project, to waive state plan requirements relative to statewide uniformity; and

100.17 (2) a comprehensive plan, including estimated project costs, shall be approved by the
100.18 Legislative Advisory Commission and filed with the commissioner of administration.

100.19 (l) According to federal requirements and in coordination with the commissioner of
100.20 children, youth, and families, establish procedures to be followed by local welfare boards
100.21 in creating citizen advisory committees, including procedures for selection of committee
100.22 members.

100.23 (m) Allocate federal fiscal disallowances or sanctions which are based on quality control
100.24 error rates for medical assistance in the following manner:

100.25 (1) one-half of the total amount of the disallowance shall be borne by the county boards
100.26 responsible for administering the programs. Disallowances shall be shared by each county
100.27 board in the same proportion as that county's expenditures for the sanctioned program are
100.28 to the total of all counties' expenditures for medical assistance. Each county shall pay its
100.29 share of the disallowance to the state of Minnesota. When a county fails to pay the amount
100.30 due hereunder, the commissioner may deduct the amount from reimbursement otherwise
100.31 due the county, or the attorney general, upon the request of the commissioner, may institute
100.32 civil action to recover the amount due; and

100.33 (2) notwithstanding the provisions of clause (1), if the disallowance results from knowing
100.34 noncompliance by one or more counties with a specific program instruction, and that knowing

101.1 noncompliance is a matter of official county board record, the commissioner may require
101.2 payment or recover from the county or counties, in the manner prescribed in clause (1), an
101.3 amount equal to the portion of the total disallowance which resulted from the noncompliance,
101.4 and may distribute the balance of the disallowance according to clause (1).

101.5 (n) Develop and implement special projects that maximize reimbursements and result
101.6 in the recovery of money to the state. For the purpose of recovering state money, the
101.7 commissioner may enter into contracts with third parties. Any recoveries that result from
101.8 projects or contracts entered into under this paragraph shall be deposited in the state treasury
101.9 and credited to a special account until the balance in the account reaches \$1,000,000. When
101.10 the balance in the account exceeds \$1,000,000, the excess shall be transferred and credited
101.11 to the general fund. All money in the account is appropriated to the commissioner for the
101.12 purposes of this paragraph.

101.13 (o) Have the authority to establish and enforce the following county reporting
101.14 requirements:

101.15 (1) the commissioner shall establish fiscal and statistical reporting requirements necessary
101.16 to account for the expenditure of funds allocated to counties for human services programs.
101.17 When establishing financial and statistical reporting requirements, the commissioner shall
101.18 evaluate all reports, in consultation with the counties, to determine if the reports can be
101.19 simplified or the number of reports can be reduced;

101.20 (2) the county board shall submit monthly or quarterly reports to the department as
101.21 required by the commissioner. Monthly reports are due no later than 15 working days after
101.22 the end of the month. Quarterly reports are due no later than 30 calendar days after the end
101.23 of the quarter, unless the commissioner determines that the deadline must be shortened to
101.24 20 calendar days to avoid jeopardizing compliance with federal deadlines or risking a loss
101.25 of federal funding. Only reports that are complete, legible, and in the required format shall
101.26 be accepted by the commissioner;

101.27 (3) if the required reports are not received by the deadlines established in clause (2), the
101.28 commissioner may delay payments and withhold funds from the county board until the next
101.29 reporting period. When the report is needed to account for the use of federal funds and the
101.30 late report results in a reduction in federal funding, the commissioner shall withhold from
101.31 the county boards with late reports an amount equal to the reduction in federal funding until
101.32 full federal funding is received;

101.33 (4) a county board that submits reports that are late, illegible, incomplete, or not in the
101.34 required format for two out of three consecutive reporting periods is considered

102.1 noncompliant. When a county board is found to be noncompliant, the commissioner shall
102.2 notify the county board of the reason the county board is considered noncompliant and
102.3 request that the county board develop a corrective action plan stating how the county board
102.4 plans to correct the problem. The corrective action plan must be submitted to the
102.5 commissioner within 45 days after the date the county board received notice of
102.6 noncompliance;

102.7 (5) the final deadline for fiscal reports or amendments to fiscal reports is one year after
102.8 the date the report was originally due. If the commissioner does not receive a report by the
102.9 final deadline, the county board forfeits the funding associated with the report for that
102.10 reporting period and the county board must repay any funds associated with the report
102.11 received for that reporting period;

102.12 (6) the commissioner may not delay payments, withhold funds, or require repayment
102.13 under clause (3) or (5) if the county demonstrates that the commissioner failed to provide
102.14 appropriate forms, guidelines, and technical assistance to enable the county to comply with
102.15 the requirements. If the county board disagrees with an action taken by the commissioner
102.16 under clause (3) or (5), the county board may appeal the action according to sections 14.57
102.17 to 14.69; and

102.18 (7) counties subject to withholding of funds under clause (3) or forfeiture or repayment
102.19 of funds under clause (5) shall not reduce or withhold benefits or services to clients to cover
102.20 costs incurred due to actions taken by the commissioner under clause (3) or (5).

102.21 (p) Allocate federal fiscal disallowances or sanctions for audit exceptions when federal
102.22 fiscal disallowances or sanctions are based on a statewide random sample in direct proportion
102.23 to each county's claim for that period.

102.24 (q) Be responsible for ensuring the detection, prevention, investigation, and resolution
102.25 of fraudulent activities or behavior by applicants, recipients, and other participants in the
102.26 human services programs administered by the department.

102.27 (r) Require county agencies to identify overpayments, establish claims, and utilize all
102.28 available and cost-beneficial methodologies to collect and recover these overpayments in
102.29 the human services programs administered by the department.

102.30 (s) Have the authority to administer the federal drug rebate program for drugs purchased
102.31 under the medical assistance program as allowed by section 1927 of title XIX of the Social
102.32 Security Act and according to the terms and conditions of section 1927. Rebates shall be
102.33 collected for all drugs that have been dispensed or administered in an outpatient setting and

103.1 that are from manufacturers who have signed a rebate agreement with the United States
103.2 Department of Health and Human Services.

103.3 (t) Have the authority to administer a supplemental drug rebate program for drugs
103.4 purchased under the medical assistance program. The commissioner may enter into
103.5 supplemental rebate contracts with pharmaceutical manufacturers and may require prior
103.6 authorization for drugs that are from manufacturers that have not signed a supplemental
103.7 rebate contract. Prior authorization of drugs shall be subject to the provisions of section
103.8 256B.0625, subdivision 13.

103.9 (u) Operate the department's communication systems account established in Laws 1993,
103.10 First Special Session chapter 1, article 1, section 2, subdivision 2, to manage shared
103.11 communication costs necessary for the operation of the programs the commissioner
103.12 supervises. Each account must be used to manage shared communication costs necessary
103.13 for the operations of the programs the commissioner supervises. The commissioner may
103.14 distribute the costs of operating and maintaining communication systems to participants in
103.15 a manner that reflects actual usage. Costs may include acquisition, licensing, insurance,
103.16 maintenance, repair, staff time and other costs as determined by the commissioner. Nonprofit
103.17 organizations and state, county, and local government agencies involved in the operation
103.18 of programs the commissioner supervises may participate in the use of the department's
103.19 communications technology and share in the cost of operation. The commissioner may
103.20 accept on behalf of the state any gift, bequest, devise or personal property of any kind, or
103.21 money tendered to the state for any lawful purpose pertaining to the communication activities
103.22 of the department. Any money received for this purpose must be deposited in the department's
103.23 communication systems accounts. Money collected by the commissioner for the use of
103.24 communication systems must be deposited in the state communication systems account and
103.25 is appropriated to the commissioner for purposes of this section.

103.26 (v) Receive any federal matching money that is made available through the medical
103.27 assistance program for the consumer satisfaction survey. Any federal money received for
103.28 the survey is appropriated to the commissioner for this purpose. The commissioner may
103.29 expend the federal money received for the consumer satisfaction survey in either year of
103.30 the biennium.

103.31 (w) Designate community information and referral call centers and incorporate cost
103.32 reimbursement claims from the designated community information and referral call centers
103.33 into the federal cost reimbursement claiming processes of the department according to
103.34 federal law, rule, and regulations. Existing information and referral centers provided by
103.35 Greater Twin Cities United Way or existing call centers for which Greater Twin Cities

104.1 United Way has legal authority to represent, shall be included in these designations upon
104.2 review by the commissioner and assurance that these services are accredited and in
104.3 compliance with national standards. Any reimbursement is appropriated to the commissioner
104.4 and all designated information and referral centers shall receive payments according to
104.5 normal department schedules established by the commissioner upon final approval of
104.6 allocation methodologies from the United States Department of Health and Human Services
104.7 Division of Cost Allocation or other appropriate authorities.

104.8 (x) Develop recommended standards for adult foster care homes that address the
104.9 components of specialized therapeutic services to be provided by adult foster care homes
104.10 with those services.

104.11 (y) Authorize the method of payment to or from the department as part of the human
104.12 services programs administered by the department. This authorization includes the receipt
104.13 or disbursement of funds held by the department in a fiduciary capacity as part of the human
104.14 services programs administered by the department.

104.15 (z) Designate the agencies that operate the Senior LinkAge Line under section 256.975,
104.16 subdivision 7, and the Disability Hub under subdivision 24 as the state of Minnesota Aging
104.17 and Disability Resource Center under United States Code, title 42, section 3001, the Older
104.18 Americans Act Amendments of 2006, and incorporate cost reimbursement claims from the
104.19 designated centers into the federal cost reimbursement claiming processes of the department
104.20 according to federal law, rule, and regulations. Any reimbursement must be appropriated
104.21 to the commissioner and treated consistent with section 256.011. All Aging and Disability
104.22 Resource Center designated agencies shall receive payments of grant funding that supports
104.23 the activity and generates the federal financial participation according to Board on Aging
104.24 administrative granting mechanisms.

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

104.26 Sec. 51. Minnesota Statutes 2024, section 256.01, subdivision 5, is amended to read:

104.27 Subd. 5. **Gifts, contributions, pensions and benefits; acceptance.** The commissioner
104.28 may receive and accept on behalf of patients and residents at the several state hospitals for
104.29 persons with mental illness or developmental disabilities during the period of their
104.30 hospitalization and while on provisional discharge therefrom, money due and payable to
104.31 them as old age and survivors insurance benefits, veterans benefits, pensions or other such
104.32 monetary benefits. Such gifts, contributions, pensions and benefits shall be deposited in and
104.33 disbursed from the social welfare fund provided for in sections 256.88 to 256.92.

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

105.2 Sec. 52. Minnesota Statutes 2024, section 256.019, subdivision 1, is amended to read:

105.3 Subdivision 1. **Retention rates.** When an assistance recovery amount is collected and
105.4 posted by a county agency under the provisions governing public assistance programs
105.5 including general assistance medical care formerly codified in chapter 256D, general
105.6 assistance, and Minnesota supplemental aid, the county may keep one-half of the recovery
105.7 made by the county agency using any method other than recoupment. For medical assistance,
105.8 if the recovery is made by a county agency using any method other than recoupment, the
105.9 county may keep one-half of the nonfederal share of the recovery. For MinnesotaCare, if
105.10 the recovery is collected and posted by the county agency, the county may keep one-half
105.11 of the nonfederal share of the recovery.

105.12 This does not apply to recoveries from medical providers or to recoveries begun by the
105.13 Department of Human Services' Surveillance and Utilization Review Division, ~~State Hospital~~
105.14 ~~Collections Unit~~, and the Benefit Recoveries Division ~~or, by the~~ Direct Care and Treatment
105.15 State Hospital Collections Unit, the attorney general's office, or child support collections.

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

105.17 Sec. 53. Minnesota Statutes 2024, section 256.0281, is amended to read:

105.18 **256.0281 INTERAGENCY DATA EXCHANGE.**

105.19 (a) The Department of Human Services, the Department of Health, Direct Care and
105.20 Treatment, and the Office of the Ombudsman for Mental Health and Developmental
105.21 Disabilities may establish interagency agreements governing the electronic exchange of
105.22 data on providers and individuals collected, maintained, or used by each agency when such
105.23 exchange is outlined by each agency in an interagency agreement to accomplish the purposes
105.24 in clauses (1) to (4):

105.25 (1) to improve provider enrollment processes for home and community-based services
105.26 and state plan home care services;

105.27 (2) to improve quality management of providers between state agencies;

105.28 (3) to establish and maintain provider eligibility to participate as providers under
105.29 Minnesota health care programs; or

105.30 (4) to meet the quality assurance reporting requirements under federal law under section
105.31 1915(c) of the Social Security Act related to home and community-based waiver programs.

(b) Each interagency agreement must include provisions to ensure anonymity of individuals, including mandated reporters, and must outline the specific uses of and access to shared data within each agency. Electronic interfaces between source data systems developed under these interagency agreements must incorporate these provisions as well as other HIPAA provisions related to individual data.

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

Sec. 54. Minnesota Statutes 2024, section 256.0451, subdivision 1, is amended to read:

Subdivision 1. **Scope.** (a) The requirements in this section apply to all fair hearings and appeals under sections 142A.20, subdivision 2, and 256.045, subdivision 3, paragraph (a), clauses (1), (2), (3), (5), (6), (7), (10), and (12). Except as provided in subdivisions 3 and 19, the requirements under this section apply to fair hearings and appeals under section 256.045, subdivision 3, paragraph (a), clauses (4), (8), (9), and (11).

(b) For purposes of this section, "person" means an individual who, on behalf of themselves or their household, is appealing or disputing or challenging an action, a decision, or a failure to act, by an agency ~~in the human services system~~ subject to this section. When a person involved in a proceeding under this section is represented by an attorney or by an authorized representative, the term "person" also means the person's attorney or authorized representative. Any notice sent to the person involved in the hearing must also be sent to the person's attorney or authorized representative.

(c) For purposes of this section, "agency" means ~~the~~ a county human services agency, ~~the~~ a state ~~human services~~ agency, and, where applicable, any entity involved under a contract, subcontract, grant, or subgrant with the state agency or with a county agency, that provides or operates programs or services in which appeals are governed by section 256.045.

(d) For purposes of this section, "state agency" means the Department of Human Services; the Department of Health; the Department of Education; the Department of Children, Youth, and Families; or Direct Care and Treatment.

Sec. 55. Minnesota Statutes 2024, section 256.0451, subdivision 3, is amended to read:

Subd. 3. **Agency appeal summary.** (a) Except in fair hearings and appeals under section 256.045, subdivision 3, paragraph (a), clauses (4), (9), and (10), the agency involved in an appeal must prepare a state agency appeal summary for each fair hearing appeal. The state agency appeal summary shall be mailed or otherwise delivered to the person who is involved in the appeal at least three working days before the date of the hearing. The state agency

107.1 appeal summary must also be mailed or otherwise delivered to the ~~department's~~ Department
107.2 of Human Services' Appeals Office at least three working days before the date of the fair
107.3 hearing appeal.

107.4 (b) In addition, the human services judge shall confirm that the state agency appeal
107.5 summary is mailed or otherwise delivered to the person involved in the appeal as required
107.6 under paragraph (a). The person involved in the fair hearing should be provided, through
107.7 the state agency appeal summary or other reasonable methods, appropriate information
107.8 about the procedures for the fair hearing and an adequate opportunity to prepare. These
107.9 requirements apply equally to the state agency or an entity under contract when involved
107.10 in the appeal.

107.11 (c) The contents of the state agency appeal summary must be adequate to inform the
107.12 person involved in the appeal of the evidence on which the agency relies and the legal basis
107.13 for the agency's action or determination.

107.14 Sec. 56. Minnesota Statutes 2024, section 256.0451, subdivision 6, is amended to read:

107.15 Subd. 6. **Appeal request for emergency assistance or urgent matter.** (a) When an
107.16 appeal involves an application for emergency assistance, the agency involved shall mail or
107.17 otherwise deliver the state agency appeal summary to the ~~department's~~ Department of Human
107.18 Services' Appeals Office within two working days of receiving the request for an appeal.
107.19 A person may also request that a fair hearing be held on an emergency basis when the issue
107.20 requires an immediate resolution. The human services judge shall schedule the fair hearing
107.21 on the earliest available date according to the urgency of the issue involved. Issuance of the
107.22 recommended decision after an emergency hearing shall be expedited.

107.23 (b) The applicable commissioner or executive board shall issue a written decision within
107.24 five working days of receiving the recommended decision, shall immediately inform the
107.25 parties of the outcome by telephone, and shall mail the decision no later than two working
107.26 days following the date of the decision.

107.27 Sec. 57. Minnesota Statutes 2024, section 256.0451, subdivision 8, is amended to read:

107.28 Subd. 8. **Subpoenas.** A person involved in a fair hearing or the agency may request a
107.29 subpoena for a witness, for evidence, or for both. A reasonable number of subpoenas shall
107.30 be issued to require the attendance and the testimony of witnesses, and the production of
107.31 evidence relating to any issue of fact in the appeal hearing. The request for a subpoena must
107.32 show a need for the subpoena and the general relevance to the issues involved. The subpoena

108.1 shall be issued in the name of the Department of Human Services and shall be served and
108.2 enforced as provided in section 357.22 and the Minnesota Rules of Civil Procedure.

108.3 An individual or entity served with a subpoena may petition the human services judge
108.4 in writing to vacate or modify a subpoena. The human services judge shall resolve such a
108.5 petition in a prehearing conference involving all parties and shall make a written decision.
108.6 A subpoena may be vacated or modified if the human services judge determines that the
108.7 testimony or evidence sought does not relate with reasonable directness to the issues of the
108.8 fair hearing appeal; that the subpoena is unreasonable, over broad, or oppressive; that the
108.9 evidence sought is repetitious or cumulative; or that the subpoena has not been served
108.10 reasonably in advance of the time when the appeal hearing will be held.

108.11 Sec. 58. Minnesota Statutes 2024, section 256.0451, subdivision 9, is amended to read:

108.12 Subd. 9. **No ex parte contact.** The human services judge shall not have ex parte contact
108.13 on substantive issues with the agency or with any person or witness in a fair hearing appeal.
108.14 No employee of ~~the Department or~~ an agency shall review, interfere with, change, or attempt
108.15 to influence the recommended decision of the human services judge in any fair hearing
108.16 appeal, except through the procedure allowed in subdivision 18. The limitations in this
108.17 subdivision do not affect the applicable commissioner's or executive board's authority to
108.18 review or reconsider decisions or make final decisions.

108.19 Sec. 59. Minnesota Statutes 2024, section 256.0451, subdivision 18, is amended to read:

108.20 Subd. 18. **Inviting comment by ~~department~~ state agency.** The human services judge
108.21 or the applicable commissioner or executive board may determine that a written comment
108.22 by the ~~department~~ state agency about the policy implications of a specific legal issue could
108.23 help resolve a pending appeal. Such a written policy comment from the ~~department~~ state
108.24 agency shall be obtained only by a written request that is also sent to the person involved
108.25 and to the agency or its representative. When such a written comment is received, both the
108.26 person involved in the hearing and the agency shall have adequate opportunity to review,
108.27 evaluate, and respond to the written comment, including submission of additional testimony
108.28 or evidence, and cross-examination concerning the written comment.

108.29 Sec. 60. Minnesota Statutes 2024, section 256.0451, subdivision 22, is amended to read:

108.30 Subd. 22. **Decisions.** A timely, written decision must be issued in every appeal. Each
108.31 decision must contain a clear ruling on the issues presented in the appeal hearing and should

109.1 contain a ruling only on questions directly presented by the appeal and the arguments raised
109.2 in the appeal.

109.3 (a) A written decision must be issued within 90 days of the date the person involved
109.4 requested the appeal unless a shorter time is required by law. An additional 30 days is
109.5 provided in those cases where the applicable commissioner or executive board refuses to
109.6 accept the recommended decision. In appeals of maltreatment determinations or
109.7 disqualifications filed pursuant to section 256.045, subdivision 3, paragraph (a), clause (4),
109.8 (8), or (9), that also give rise to possible licensing actions, the 90-day period for issuing
109.9 final decisions does not begin until the later of the date that the licensing authority provides
109.10 notice to the appeals division that the authority has made the final determination in the
109.11 matter or the date the appellant files the last appeal in the consolidated matters.

109.12 (b) The decision must contain both findings of fact and conclusions of law, clearly
109.13 separated and identified. The findings of fact must be based on the entire record. Each
109.14 finding of fact made by the human services judge shall be supported by a preponderance
109.15 of the evidence unless a different standard is required under the regulations of a particular
109.16 program. The "preponderance of the evidence" means, in light of the record as a whole, the
109.17 evidence leads the human services judge to believe that the finding of fact is more likely to
109.18 be true than not true. The legal claims or arguments of a participant do not constitute either
109.19 a finding of fact or a conclusion of law, except to the extent the human services judge adopts
109.20 an argument as a finding of fact or conclusion of law.

109.21 The decision shall contain at least the following:

109.22 (1) a listing of the date and place of the hearing and the participants at the hearing;

109.23 (2) a clear and precise statement of the issues, including the dispute under consideration
109.24 and the specific points which must be resolved in order to decide the case;

109.25 (3) a listing of the material, including exhibits, records, reports, placed into evidence at
109.26 the hearing, and upon which the hearing decision is based;

109.27 (4) the findings of fact based upon the entire hearing record. The findings of fact must
109.28 be adequate to inform the participants and any interested person in the public of the basis
109.29 of the decision. If the evidence is in conflict on an issue which must be resolved, the findings
109.30 of fact must state the reasoning used in resolving the conflict;

109.31 (5) conclusions of law that address the legal authority for the hearing and the ruling, and
109.32 which give appropriate attention to the claims of the participants to the hearing;

110.1 (6) a clear and precise statement of the decision made resolving the dispute under
110.2 consideration in the hearing; and

110.3 (7) written notice of the right to appeal to district court or to request reconsideration,
110.4 and of the actions required and the time limits for taking appropriate action to appeal to
110.5 district court or to request a reconsideration.

110.6 (c) The human services judge shall not independently investigate facts or otherwise rely
110.7 on information not presented at the hearing. The human services judge may not contact
110.8 other agency personnel, except as provided in subdivision 18. The human services judge's
110.9 recommended decision must be based exclusively on the testimony and evidence presented
110.10 at the hearing, and legal arguments presented, and the human services judge's research and
110.11 knowledge of the law.

110.12 (d) The applicable commissioner ~~will~~ or executive board must review the recommended
110.13 decision and accept or refuse to accept the decision according to section 142A.20, subdivision
110.14 3, or 256.045, subdivision 5 or 5a.

110.15 Sec. 61. Minnesota Statutes 2024, section 256.0451, subdivision 23, is amended to read:

110.16 Subd. 23. **Refusal to accept recommended orders.** (a) If the applicable commissioner
110.17 or executive board refuses to accept the recommended order from the human services judge,
110.18 the person involved, the person's attorney or authorized representative, and the agency shall
110.19 be sent a copy of the recommended order, a detailed explanation of the basis for refusing
110.20 to accept the recommended order, and the proposed modified order.

110.21 (b) The person involved and the agency shall have at least ten business days to respond
110.22 to the proposed modification of the recommended order. The person involved and the agency
110.23 may submit a legal argument concerning the proposed modification, and may propose to
110.24 submit additional evidence that relates to the proposed modified order.

110.25 Sec. 62. Minnesota Statutes 2024, section 256.0451, subdivision 24, is amended to read:

110.26 Subd. 24. **Reconsideration.** (a) Reconsideration may be requested within 30 days of
110.27 the date of the applicable commissioner's or executive board's final order. If reconsideration
110.28 is requested under section 142A.20, subdivision 3, or 256.045, subdivision 5 or 5a, the other
110.29 participants in the appeal shall be informed of the request. The person seeking reconsideration
110.30 has the burden to demonstrate why the matter should be reconsidered. The request for
110.31 reconsideration may include legal argument and may include proposed additional evidence

111.1 supporting the request. The other participants shall be sent a copy of all material submitted
111.2 in support of the request for reconsideration and must be given ten days to respond.

111.3 (b) When the requesting party raises a question as to the appropriateness of the findings
111.4 of fact, the applicable commissioner or executive board shall review the entire record.

111.5 (c) When the requesting party questions the appropriateness of a conclusion of law, the
111.6 applicable commissioner or executive board shall consider the recommended decision, the
111.7 decision under reconsideration, and the material submitted in connection with the
111.8 reconsideration. The applicable commissioner or executive board shall review the remaining
111.9 record as necessary to issue a reconsidered decision.

111.10 (d) The applicable commissioner or executive board shall issue a written decision on
111.11 reconsideration in a timely fashion. The decision must clearly inform the parties that this
111.12 constitutes the final administrative decision, advise the participants of the right to seek
111.13 judicial review, and the deadline for doing so.

111.14 Sec. 63. Minnesota Statutes 2024, section 256.4825, is amended to read:

111.15 **256.4825 REPORT REGARDING PROGRAMS AND SERVICES FOR PEOPLE**
111.16 **WITH DISABILITIES.**

111.17 The Minnesota State Council on Disability, the Minnesota Consortium for Citizens with
111.18 Disabilities, and the Arc of Minnesota may submit an annual report by January 15 of each
111.19 year, beginning in 2012, to the chairs and ranking minority members of the legislative
111.20 committees with jurisdiction over programs serving people with disabilities as provided in
111.21 this section. The report must describe the existing state policies and goals for programs
111.22 serving people with disabilities including, but not limited to, programs for employment,
111.23 transportation, housing, education, quality assurance, consumer direction, physical and
111.24 programmatic access, and health. The report must provide data and measurements to assess
111.25 the extent to which the policies and goals are being met. The commissioner of human
111.26 services, the Direct Care and Treatment executive board, and the commissioners of other
111.27 state agencies administering programs for people with disabilities shall cooperate with the
111.28 Minnesota State Council on Disability, the Minnesota Consortium for Citizens with
111.29 Disabilities, and the Arc of Minnesota and provide those organizations with existing
111.30 published information and reports that will assist in the preparation of the report.

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

112.1 Sec. 64. Minnesota Statutes 2024, section 256.93, subdivision 1, is amended to read:

112.2 Subdivision 1. **Limitations.** In any case where the guardianship of any child with a
112.3 developmental disability or who is disabled, dependent, neglected or delinquent, or a child
112.4 born to a mother who was not married to the child's father when the child was conceived
112.5 nor when the child was born, has been ~~committed~~ appointed to the commissioner of human
112.6 services, and in any case where the guardianship of any person with a developmental
112.7 disability has been ~~committed~~ appointed to the commissioner of human services, the court
112.8 having jurisdiction of the estate may on such notice as the court may direct, authorize the
112.9 commissioner to take possession of the personal property in the estate, liquidate it, and hold
112.10 the proceeds in trust for the ward, to be invested, expended and accounted for as provided
112.11 by sections 256.88 to 256.92.

112.12 Sec. 65. Minnesota Statutes 2024, section 256.98, subdivision 7, is amended to read:

112.13 Subd. 7. **Division of recovered amounts.** Except for recoveries under chapter 142E, if
112.14 the state is responsible for the recovery, the amounts recovered shall be paid to the appropriate
112.15 units of government. If the recovery is directly attributable to a county, the county may
112.16 retain one-half of the nonfederal share of any recovery from a recipient or the recipient's
112.17 estate.

112.18 This subdivision does not apply to recoveries from medical providers or to recoveries
112.19 involving the Department of Human ~~services~~, Services' Surveillance and Utilization Review
112.20 Division, ~~state hospital collections unit~~, and the Benefit Recoveries Division or the Direct
112.21 Care and Treatment State Hospital Collections Unit.

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

112.23 Sec. 66. Minnesota Statutes 2024, section 256B.092, subdivision 10, is amended to read:

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

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

(c) No discharge shall take place until disputes are resolved under section 256.045, subdivision 4a, or until a review by the ~~commissioner~~ Direct Care and Treatment executive board is completed upon request of the chief executive officer or program director of the regional treatment center, or the county agency. For persons under public guardianship, the ombudsman may request a review or hearing under section 256.045.

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

Sec. 67. Minnesota Statutes 2024, section 256G.09, subdivision 4, is amended to read:

Subd. 4. **Appeals.** A local agency that is aggrieved by the order of ~~the~~ a department or the executive board may appeal the opinion to the district court of the county responsible for furnishing assistance or services by serving a written copy of a notice of appeal on ~~the~~ a commissioner or the executive board and any adverse party of record within 30 days after the date the department issued the opinion, and by filing the original notice and proof of service with the court administrator of district court. Service may be made personally or by mail. Service by mail is complete upon mailing.

~~The~~ A commissioner or the executive board may elect to become a party to the proceedings in district court. The court may consider the matter in or out of chambers and shall take no new or additional evidence.

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

Sec. 68. Minnesota Statutes 2024, section 256G.09, subdivision 5, is amended to read:

Subd. 5. **Payment pending appeal.** After ~~the~~ a department or the executive board issues an opinion in any submission under this section, the service or assistance covered by the submission must be provided or paid pending or during an appeal to the district court.

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

Sec. 69. Minnesota Statutes 2024, section 299F.77, subdivision 2, is amended to read:

Subd. 2. **Background check.** (a) For licenses issued by the commissioner under section 299F.73, the applicant for licensure must provide the commissioner with all of the information required by Code of Federal Regulations, title 28, section 25.7. The commissioner shall forward the information to the superintendent of the Bureau of Criminal Apprehension so that criminal records, histories, and warrant information on the applicant can be retrieved from the Minnesota Crime Information System and the National Instant Criminal Background Check System, as well as the civil commitment records maintained by ~~the Department of~~

114.1 ~~Human Services~~ Direct Care and Treatment. The results must be returned to the commissioner
114.2 to determine if the individual applicant is qualified to receive a license.

114.3 (b) For permits issued by a county sheriff or chief of police under section 299F.75, the
114.4 applicant for a permit must provide the county sheriff or chief of police with all of the
114.5 information required by Code of Federal Regulations, title 28, section 25.7. The county
114.6 sheriff or chief of police must check, by means of electronic data transfer, criminal records,
114.7 histories, and warrant information on each applicant through the Minnesota Crime
114.8 Information System and the National Instant Criminal Background Check System, as well
114.9 as the civil commitment records maintained by ~~the Department of Human Services~~ Direct
114.10 Care and Treatment. The county sheriff or chief of police shall use the results of the query
114.11 to determine if the individual applicant is qualified to receive a permit.

114.12 Sec. 70. Minnesota Statutes 2024, section 342.04, is amended to read:

114.13 **342.04 STUDIES; REPORTS.**

114.14 (a) The office shall conduct a study to determine the expected size and growth of the
114.15 regulated cannabis industry and hemp consumer industry, including an estimate of the
114.16 demand for cannabis flower and cannabis products, the number and geographic distribution
114.17 of cannabis businesses needed to meet that demand, and the anticipated business from
114.18 residents of other states.

114.19 (b) The office shall conduct a study to determine the size of the illicit cannabis market,
114.20 the sources of illicit cannabis flower and illicit cannabis products in the state, the locations
114.21 of citations issued and arrests made for cannabis offenses, and the subareas, such as census
114.22 tracts or neighborhoods, that experience a disproportionately large amount of cannabis
114.23 enforcement.

114.24 (c) The office shall conduct a study on impaired driving to determine:

114.25 (1) the number of accidents involving one or more drivers who admitted to using cannabis
114.26 flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products,
114.27 or who tested positive for cannabis or tetrahydrocannabinol;

114.28 (2) the number of arrests of individuals for impaired driving in which the individual
114.29 tested positive for cannabis or tetrahydrocannabinol; and

114.30 (3) the number of convictions for driving under the influence of cannabis flower, cannabis
114.31 products, lower-potency hemp edibles, hemp-derived consumer products, or
114.32 tetrahydrocannabinol.

(d) The office shall provide preliminary reports on the studies conducted pursuant to paragraphs (a) to (c) to the legislature by January 15, 2024, and shall provide final reports to the legislature by January 15, 2025. The reports may be consolidated into a single report by the office.

(e) The office shall collect existing data from the Department of Human Services, Department of Health, Direct Care and Treatment, Minnesota state courts, and hospitals licensed under chapter 144 on the utilization of mental health and substance use disorder services, emergency room visits, and commitments to identify any increase in the services provided or any increase in the number of visits or commitments. The office shall also obtain summary data from existing first episode psychosis programs on the number of persons served by the programs and number of persons on the waiting list. All information collected by the office under this paragraph shall be included in the report required under paragraph (f).

(f) The office shall conduct an annual market analysis on the status of the regulated cannabis industry and submit a report of the findings. The office shall submit the report by January 15, 2025, and each January 15 thereafter and the report may be combined with the annual report submitted by the office. The process of completing the market analysis must include holding public meetings to solicit the input of consumers, market stakeholders, and potential new applicants and must include an assessment as to whether the office has issued the necessary number of licenses in order to:

(1) ensure the sufficient supply of cannabis flower and cannabis products to meet demand;

(2) provide market stability;

(3) ensure a competitive market; and

(4) limit the sale of unregulated cannabis flower and cannabis products.

(g) The office shall submit an annual report to the legislature by January 15, 2024, and each January 15 thereafter. The annual report shall include but not be limited to the following:

(1) the status of the regulated cannabis industry;

(2) the status of the illicit cannabis market and hemp consumer industry;

(3) the number of accidents, arrests, and convictions involving drivers who admitted to using cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products or who tested positive for cannabis or tetrahydrocannabinol;

116.1 (4) the change in potency, if any, of cannabis flower and cannabis products available
116.2 through the regulated market;

116.3 (5) progress on providing opportunities to individuals and communities that experienced
116.4 a disproportionate, negative impact from cannabis prohibition, including but not limited to
116.5 providing relief from criminal convictions and increasing economic opportunities;

116.6 (6) the status of racial and geographic diversity in the cannabis industry;

116.7 (7) proposed legislative changes, including but not limited to recommendations to
116.8 streamline licensing systems and related administrative processes;

116.9 (8) information on the adverse effects of second-hand smoke from any cannabis flower,
116.10 cannabis products, and hemp-derived consumer products that are consumed by the
116.11 combustion or vaporization of the product and the inhalation of smoke, aerosol, or vapor
116.12 from the product; and

116.13 (9) recommendations for the levels of funding for:

116.14 (i) a coordinated education program to address and raise public awareness about the top
116.15 three adverse health effects, as determined by the commissioner of health, associated with
116.16 the use of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived
116.17 consumer products by individuals under 21 years of age;

116.18 (ii) a coordinated education program to educate pregnant individuals, breastfeeding
116.19 individuals, and individuals who may become pregnant on the adverse health effects of
116.20 cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer
116.21 products;

116.22 (iii) training, technical assistance, and educational materials for home visiting programs,
116.23 Tribal home visiting programs, and child welfare workers regarding safe and unsafe use of
116.24 cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer
116.25 products in homes with infants and young children;

116.26 (iv) model programs to educate middle school and high school students on the health
116.27 effects on children and adolescents of the use of cannabis flower, cannabis products,
116.28 lower-potency hemp edibles, hemp-derived consumer products, and other intoxicating or
116.29 controlled substances;

116.30 (v) grants issued through the CanTrain, CanNavigate, CanStartup, and CanGrow
116.31 programs;

117.1 (vi) grants to organizations for community development in social equity communities
117.2 through the CanRenew program;

117.3 (vii) training of peace officers and law enforcement agencies on changes to laws involving
117.4 cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer
117.5 products and the law's impact on searches and seizures;

117.6 (viii) training of peace officers to increase the number of drug recognition experts;

117.7 (ix) training of peace officers on the cultural uses of sage and distinguishing use of sage
117.8 from the use of cannabis flower, including whether the Board of Peace Officer Standards
117.9 and Training should approve or develop training materials;

117.10 (x) the retirement and replacement of drug detection canines; and

117.11 (xi) the Department of Human Services and county social service agencies to address
117.12 any increase in demand for services.

117.13 (g) In developing the recommended funding levels under paragraph (f), clause (9), items
117.14 (vii) to (xi), the office shall consult with local law enforcement agencies, the Minnesota
117.15 Chiefs of Police Association, the Minnesota Sheriff's Association, the League of Minnesota
117.16 Cities, the Association of Minnesota Counties, and county social services agencies.

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

117.18 Sec. 71. Minnesota Statutes 2024, section 352.91, subdivision 3f, is amended to read:

117.19 Subd. 3f. **Additional Direct Care and Treatment personnel.** (a) "Covered correctional
117.20 service" means service by a state employee in one of the employment positions specified
117.21 in paragraph (b) in the state-operated forensic services program or the Minnesota Sex
117.22 Offender Program if at least 75 percent of the employee's working time is spent in direct
117.23 contact with patients and the determination of this direct contact is certified to the executive
117.24 director by the ~~commissioner of human services or~~ Direct Care and Treatment executive
117.25 board.

117.26 (b) The employment positions are:

117.27 (1) baker;

117.28 (2) behavior analyst 2;

117.29 (3) behavior analyst 3;

117.30 (4) certified occupational therapy assistant 1;

117.31 (5) certified occupational therapy assistant 2;

- 118.1 (6) client advocate;
- 118.2 (7) clinical program therapist 2;
- 118.3 (8) clinical program therapist 3;
- 118.4 (9) clinical program therapist 4;
- 118.5 (10) cook;
- 118.6 (11) culinary supervisor;
- 118.7 (12) customer services specialist principal;
- 118.8 (13) dental assistant registered;
- 118.9 (14) dental hygienist;
- 118.10 (15) food service worker;
- 118.11 (16) food services supervisor;
- 118.12 (17) group supervisor;
- 118.13 (18) group supervisor assistant;
- 118.14 (19) human services support specialist;
- 118.15 (20) licensed alcohol and drug counselor;
- 118.16 (21) licensed practical nurse;
- 118.17 (22) management analyst 3;
- 118.18 (23) music therapist;
- 118.19 (24) occupational therapist;
- 118.20 (25) occupational therapist, senior;
- 118.21 (26) physical therapist;
- 118.22 (27) psychologist 1;
- 118.23 (28) psychologist 2;
- 118.24 (29) psychologist 3;
- 118.25 (30) recreation program assistant;
- 118.26 (31) recreation therapist lead;
- 118.27 (32) recreation therapist senior;

119.1 (33) rehabilitation counselor senior;

119.2 (34) residential program lead;

119.3 (35) security supervisor;

119.4 (36) skills development specialist;

119.5 (37) social worker senior;

119.6 (38) social worker specialist;

119.7 (39) social worker specialist, senior;

119.8 (40) special education program assistant;

119.9 (41) speech pathology clinician;

119.10 (42) substance use disorder counselor senior;

119.11 (43) work therapy assistant; and

119.12 (44) work therapy program coordinator.

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

119.14 Sec. 72. Minnesota Statutes 2024, section 401.17, subdivision 1, is amended to read:

119.15 Subdivision 1. **Establishment; members.** (a) The commissioner must establish a
119.16 Community Supervision Advisory Committee to develop and make recommendations to
119.17 the commissioner on standards for probation, supervised release, and community supervision.
119.18 The committee consists of 19 members as follows:

119.19 (1) two directors appointed by the Minnesota Association of Community Corrections
119.20 Act Counties;

119.21 (2) two probation directors appointed by the Minnesota Association of County Probation
119.22 Officers;

119.23 (3) three county commissioner representatives appointed by the Association of Minnesota
119.24 Counties;

119.25 (4) two behavioral health, treatment, or programming providers who work directly with
119.26 individuals on correctional supervision, one appointed by the ~~Department of Human Services~~
119.27 Direct Care and Treatment executive board and one appointed by the Minnesota Association
119.28 of County Social Service Administrators;

119.29 (5) two representatives appointed by the Minnesota Indian Affairs Council;

120.1 (6) two commissioner-appointed representatives from the Department of Corrections;

120.2 (7) the chair of the statewide Evidence-Based Practice Advisory Committee;

120.3 (8) three individuals who have been supervised, either individually or collectively, under
120.4 each of the state's three community supervision delivery systems appointed by the
120.5 commissioner in consultation with the Minnesota Association of County Probation Officers
120.6 and the Minnesota Association of Community Corrections Act Counties;

120.7 (9) an advocate for victims of crime appointed by the commissioner; and

120.8 (10) a representative from a community-based research and advocacy entity appointed
120.9 by the commissioner.

120.10 (b) When an appointing authority selects an individual for membership on the committee,
120.11 the authority must make reasonable efforts to reflect geographic diversity and to appoint
120.12 qualified members of protected groups, as defined under section 43A.02, subdivision 33.

120.13 (c) Chapter 15 applies to the extent consistent with this section.

120.14 (d) The commissioner must convene the first meeting of the committee on or before
120.15 October 1, 2023.

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

120.17 Sec. 73. Minnesota Statutes 2024, section 507.071, subdivision 1, is amended to read:

120.18 Subdivision 1. **Definitions.** For the purposes of this section the following terms have
120.19 the meanings given:

120.20 (a) "Beneficiary" or "grantee beneficiary" means a person or entity named as a grantee
120.21 beneficiary in a transfer on death deed, including a successor grantee beneficiary.

120.22 (b) "County agency" means the county department or office designated to recover medical
120.23 assistance benefits from the estates of decedents.

120.24 (c) "Grantor owner" means an owner, whether individually, as a joint tenant, or as a
120.25 tenant in common, named as a grantor in a transfer on death deed upon whose death the
120.26 conveyance or transfer of the described real property is conditioned. Grantor owner does
120.27 not include a spouse who joins in a transfer on death deed solely for the purpose of conveying
120.28 or releasing statutory or other marital interests in the real property to be conveyed or
120.29 transferred by the transfer on death deed.

120.30 (d) "Owner" means a person having an ownership or other interest in all or part of the
120.31 real property to be conveyed or transferred by a transfer on death deed either at the time the

121.1 deed is executed or at the time the transfer becomes effective. Owner does not include a
121.2 spouse who joins in a transfer on death deed solely for the purpose of conveying or releasing
121.3 statutory or other marital interests in the real property to be conveyed or transferred by the
121.4 transfer on death deed.

121.5 (e) "Property" and "interest in real property" mean any interest in real property located
121.6 in this state which is transferable on the death of the owner and includes, without limitation,
121.7 an interest in real property defined in chapter 500, a mortgage, a deed of trust, a security
121.8 interest in, or a security pledge of, an interest in real property, including the rights to
121.9 payments of the indebtedness secured by the security instrument, a judgment, a tax lien,
121.10 both the seller's and purchaser's interest in a contract for deed, land contract, purchase
121.11 agreement, or earnest money contract for the sale and purchase of real property, including
121.12 the rights to payments under such contracts, or any other lien on, or interest in, real property.

121.13 (f) "Recorded" means recorded in the office of the county recorder or registrar of titles,
121.14 as appropriate for the real property described in the instrument to be recorded.

121.15 (g) "State agency" means the Department of Human Services or any successor agency
121.16 or Direct Care and Treatment or any successor agency.

121.17 (h) "Transfer on death deed" means a deed authorized under this section.

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

121.19 Sec. 74. Minnesota Statutes 2024, section 611.57, subdivision 2, is amended to read:

121.20 Subd. 2. **Membership.** (a) The Certification Advisory Committee consists of the
121.21 following members:

121.22 (1) a mental health professional, as defined in section 245I.02, subdivision 27, with
121.23 community behavioral health experience, appointed by the governor;

121.24 (2) a board-certified forensic psychiatrist with experience in competency evaluations,
121.25 providing competency attainment services, or both, appointed by the governor;

121.26 (3) a board-certified forensic psychologist with experience in competency evaluations,
121.27 providing competency attainment services, or both, appointed by the governor;

121.28 (4) the president of the Minnesota Corrections Association or a designee;

121.29 (5) the Direct Care and Treatment ~~deputy commissioner~~ chief executive officer or a
121.30 designee;

122.1 (6) the president of the Minnesota Association of County Social Service Administrators
122.2 or a designee;

122.3 (7) the president of the Minnesota Association of Community Mental Health Providers
122.4 or a designee;

122.5 (8) the president of the Minnesota Sheriffs' Association or a designee; and

122.6 (9) the executive director of the National Alliance on Mental Illness Minnesota or a
122.7 designee.

122.8 (b) Members of the advisory committee serve without compensation and at the pleasure
122.9 of the appointing authority. Vacancies shall be filled by the appointing authority consistent
122.10 with the qualifications of the vacating member required by this subdivision.

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

122.12 Sec. 75. Minnesota Statutes 2024, section 611.57, subdivision 4, is amended to read:

122.13 Subd. 4. **Duties.** The Certification Advisory Committee shall consult with the Department
122.14 of Human Services, the Department of Health, ~~and~~ the Department of Corrections, and
122.15 Direct Care and Treatment; make recommendations to the Minnesota Competency Attainment
122.16 Board regarding competency attainment curriculum, certification requirements for
122.17 competency attainment programs including jail-based programs, and certification of
122.18 individuals to provide competency attainment services; and provide information and
122.19 recommendations on other issues relevant to competency attainment as requested by the
122.20 board.

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

122.22 Sec. 76. Minnesota Statutes 2024, section 624.7131, subdivision 1, is amended to read:

122.23 Subdivision 1. **Information.** Any person may apply for a transferee permit by providing
122.24 the following information in writing to the chief of police of an organized full time police
122.25 department of the municipality in which the person resides or to the county sheriff if there
122.26 is no such local chief of police:

122.27 (1) the name, residence, telephone number, and driver's license number or
122.28 nonqualification certificate number, if any, of the proposed transferee;

122.29 (2) the sex, date of birth, height, weight, and color of eyes, and distinguishing physical
122.30 characteristics, if any, of the proposed transferee;

(3) a statement that the proposed transferee authorizes the release to the local police authority of commitment information about the proposed transferee maintained by the ~~commissioner of human services~~ Direct Care and Treatment executive board, to the extent that the information relates to the proposed transferee's eligibility to possess a pistol or semiautomatic military-style assault weapon under section 624.713, subdivision 1; and

(4) a statement by the proposed transferee that the proposed transferee is not prohibited by section 624.713 from possessing a pistol or semiautomatic military-style assault weapon.

The statements shall be signed and dated by the person applying for a permit. At the time of application, the local police authority shall provide the applicant with a dated receipt for the application. The statement under clause (3) must comply with any applicable requirements of Code of Federal Regulations, title 42, sections 2.31 to 2.35, with respect to consent to disclosure of alcohol or drug abuse patient records.

Sec. 77. Minnesota Statutes 2024, section 624.7131, subdivision 2, is amended to read:

Subd. 2. **Investigation.** The chief of police or sheriff shall check criminal histories, records and warrant information relating to the applicant through the Minnesota Crime Information System, the national criminal record repository, and the National Instant Criminal Background Check System. The chief of police or sheriff shall also make a reasonable effort to check other available state and local record-keeping systems. The chief of police or sheriff shall obtain commitment information from the ~~commissioner of human services~~ Direct Care and Treatment executive board as provided in section 246C.15.

Sec. 78. Minnesota Statutes 2024, section 624.7132, subdivision 1, is amended to read:

Subdivision 1. **Required information.** Except as provided in this section and section 624.7131, every person who agrees to transfer a pistol or semiautomatic military-style assault weapon shall report the following information in writing to the chief of police of the organized full-time police department of the municipality where the proposed transferee resides or to the appropriate county sheriff if there is no such local chief of police:

(1) the name, residence, telephone number, and driver's license number or nonqualification certificate number, if any, of the proposed transferee;

(2) the sex, date of birth, height, weight, and color of eyes, and distinguishing physical characteristics, if any, of the proposed transferee;

(3) a statement that the proposed transferee authorizes the release to the local police authority of commitment information about the proposed transferee maintained by the

124.1 ~~commissioner of human services~~ Direct Care and Treatment executive board, to the extent
124.2 that the information relates to the proposed transferee's eligibility to possess a pistol or
124.3 semiautomatic military-style assault weapon under section 624.713, subdivision 1;

124.4 (4) a statement by the proposed transferee that the transferee is not prohibited by section
124.5 624.713 from possessing a pistol or semiautomatic military-style assault weapon; and

124.6 (5) the address of the place of business of the transferor.

124.7 The report shall be signed and dated by the transferor and the proposed transferee. The
124.8 report shall be delivered by the transferor to the chief of police or sheriff no later than three
124.9 days after the date of the agreement to transfer, excluding weekends and legal holidays.

124.10 The statement under clause (3) must comply with any applicable requirements of Code of
124.11 Federal Regulations, title 42, sections 2.31 to 2.35, with respect to consent to disclosure of
124.12 alcohol or drug abuse patient records.

124.13 Sec. 79. Minnesota Statutes 2024, section 624.7132, subdivision 2, is amended to read:

124.14 Subd. 2. **Investigation.** Upon receipt of a transfer report, the chief of police or sheriff
124.15 shall check criminal histories, records and warrant information relating to the proposed
124.16 transferee through the Minnesota Crime Information System, the national criminal record
124.17 repository, and the National Instant Criminal Background Check System. The chief of police
124.18 or sheriff shall also make a reasonable effort to check other available state and local
124.19 record-keeping systems. The chief of police or sheriff shall obtain commitment information
124.20 from the ~~commissioner of human services~~ Direct Care and Treatment executive board as
124.21 provided in section 246C.15.

124.22 Sec. 80. Minnesota Statutes 2024, section 624.714, subdivision 3, is amended to read:

124.23 Subd. 3. **Form and contents of application.** (a) Applications for permits to carry must
124.24 be an official, standardized application form, adopted under section 624.7151, and must set
124.25 forth in writing only the following information:

124.26 (1) the applicant's name, residence, telephone number, if any, and driver's license number
124.27 or state identification card number;

124.28 (2) the applicant's sex, date of birth, height, weight, and color of eyes and hair, and
124.29 distinguishing physical characteristics, if any;

124.30 (3) the township or statutory city or home rule charter city, and county, of all Minnesota
124.31 residences of the applicant in the last five years, though not including specific addresses;

125.1 (4) the township or city, county, and state of all non-Minnesota residences of the applicant
125.2 in the last five years, though not including specific addresses;

125.3 (5) a statement that the applicant authorizes the release to the sheriff of commitment
125.4 information about the applicant maintained by the ~~commissioner of human services~~ Direct
125.5 Care and Treatment executive board or any similar agency or department of another state
125.6 where the applicant has resided, to the extent that the information relates to the applicant's
125.7 eligibility to possess a firearm; and

125.8 (6) a statement by the applicant that, to the best of the applicant's knowledge and belief,
125.9 the applicant is not prohibited by law from possessing a firearm.

125.10 (b) The statement under paragraph (a), clause (5), must comply with any applicable
125.11 requirements of Code of Federal Regulations, title 42, sections 2.31 to 2.35, with respect
125.12 to consent to disclosure of alcohol or drug abuse patient records.

125.13 (c) An applicant must submit to the sheriff an application packet consisting only of the
125.14 following items:

125.15 (1) a completed application form, signed and dated by the applicant;

125.16 (2) an accurate photocopy of the certificate described in subdivision 2a, paragraph (c),
125.17 that is submitted as the applicant's evidence of training in the safe use of a pistol; and

125.18 (3) an accurate photocopy of the applicant's current driver's license, state identification
125.19 card, or the photo page of the applicant's passport.

125.20 (d) In addition to the other application materials, a person who is otherwise ineligible
125.21 for a permit due to a criminal conviction but who has obtained a pardon or expungement
125.22 setting aside the conviction, sealing the conviction, or otherwise restoring applicable rights,
125.23 must submit a copy of the relevant order.

125.24 (e) Applications must be submitted in person.

125.25 (f) The sheriff may charge a new application processing fee in an amount not to exceed
125.26 the actual and reasonable direct cost of processing the application or \$100, whichever is
125.27 less. Of this amount, \$10 must be submitted to the commissioner and deposited into the
125.28 general fund.

125.29 (g) This subdivision prescribes the complete and exclusive set of items an applicant is
125.30 required to submit in order to apply for a new or renewal permit to carry. The applicant
125.31 must not be asked or required to submit, voluntarily or involuntarily, any information, fees,
125.32 or documentation beyond that specifically required by this subdivision. This paragraph does

126.1 not apply to alternate training evidence accepted by the sheriff under subdivision 2a,
126.2 paragraph (d).

126.3 (h) Forms for new and renewal applications must be available at all sheriffs' offices and
126.4 the commissioner must make the forms available on the Internet.

126.5 (i) Application forms must clearly display a notice that a permit, if granted, is void and
126.6 must be immediately returned to the sheriff if the permit holder is or becomes prohibited
126.7 by law from possessing a firearm. The notice must list the applicable state criminal offenses
126.8 and civil categories that prohibit a person from possessing a firearm.

126.9 (j) Upon receipt of an application packet and any required fee, the sheriff must provide
126.10 a signed receipt indicating the date of submission.

126.11 Sec. 81. Minnesota Statutes 2024, section 624.714, subdivision 4, is amended to read:

126.12 Subd. 4. **Investigation.** (a) The sheriff must check, by means of electronic data transfer,
126.13 criminal records, histories, and warrant information on each applicant through the Minnesota
126.14 Crime Information System and the National Instant Criminal Background Check System.
126.15 The sheriff shall also make a reasonable effort to check other available and relevant federal,
126.16 state, or local record-keeping systems. The sheriff must obtain commitment information
126.17 from the ~~commissioner of human services~~ Direct Care and Treatment executive board as
126.18 provided in section 246C.15 or, if the information is reasonably available, as provided by
126.19 a similar statute from another state.

126.20 (b) When an application for a permit is filed under this section, the sheriff must notify
126.21 the chief of police, if any, of the municipality where the applicant resides. The police chief
126.22 may provide the sheriff with any information relevant to the issuance of the permit.

126.23 (c) The sheriff must conduct a background check by means of electronic data transfer
126.24 on a permit holder through the Minnesota Crime Information System and the National
126.25 Instant Criminal Background Check System at least yearly to ensure continuing eligibility.
126.26 The sheriff may also conduct additional background checks by means of electronic data
126.27 transfer on a permit holder at any time during the period that a permit is in effect.

126.28 Sec. 82. Minnesota Statutes 2024, section 631.40, subdivision 3, is amended to read:

126.29 Subd. 3. **Departments of Human Services; Children, Youth, and Families; and**
126.30 **Health licensees.** When a person who is affiliated with a program or facility governed or
126.31 licensed by the Department of Human Services; Department of Children, Youth, and
126.32 Families; or Department of Health is convicted of a disqualifying crime, the probation

127.1 officer or corrections agent shall notify the commissioner of the conviction, as provided in
127.2 chapter 245C.

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

127.4 Sec. 83. **REVISOR INSTRUCTION.**

127.5 (a) The revisor of statutes shall renumber Minnesota Statutes, section 252.50, subdivision
127.6 5, as Minnesota Statutes, section 246C.11, subdivision 4a.

127.7 (b) The revisor of statutes shall renumber Minnesota Statutes, section 252.52, as
127.8 Minnesota Statutes, section 246C.191.

127.9 (c) The revisor of statutes shall make necessary cross-reference changes consistent with
127.10 the renumbering in this section.

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

127.12 Sec. 84. **REPEALER.**

127.13 (a) Minnesota Statutes 2024, sections 245.4862; 246.015, subdivision 3; 246.50,
127.14 subdivision 2; and 246B.04, subdivision 1a, are repealed.

127.15 (b) Laws 2024, chapter 79, article 1, sections 15; 16; and 17, are repealed.

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

127.17 **ARTICLE 4**

127.18 **SUBSTANCE USE DISORDER TREATMENT SERVICES POLICY**

127.19 Section 1. Minnesota Statutes 2024, section 245G.05, subdivision 1, is amended to read:

127.20 Subdivision 1. **Comprehensive assessment.** (a) A comprehensive assessment of the
127.21 client's substance use disorder must be administered face-to-face ~~by an alcohol and drug~~
127.22 ~~counselor~~ within five calendar days from the day of service initiation for a residential
127.23 program or by the end of the fifth day on which a treatment service is provided in a
127.24 nonresidential program. The number of days to complete the comprehensive assessment
127.25 excludes the day of service initiation.

127.26 (b) A comprehensive assessment must be administered by:

127.27 (1) an alcohol and drug counselor;

127.28 (2) a mental health professional who meets the qualifications under section 245I.04,
127.29 subdivision 2, practices within the scope of their professional licensure, and has training in

128.1 addiction, co-occurring disorders, and substance use disorder diagnosis and treatment

128.2 according to the requirements in section 245G.13, subdivision 2, paragraph (f);

128.3 (3) a clinical trainee who meets the qualifications under section 245I.04, subdivision 6,

128.4 practicing under the supervision of a mental health professional who meets the requirements

128.5 of clause (2); or

128.6 (4) an advanced practice registered nurse as defined in section 148.171, subdivision 3,

128.7 who practices within the scope of their professional licensure and has training in addiction,

128.8 co-occurring disorders, and substance use disorder diagnosis and treatment according to

128.9 the requirements in section 245G.13, subdivision 2, paragraph (f).

128.10 (c) If the comprehensive assessment is not completed within the required time frame,

128.11 the person-centered reason for the delay and the planned completion date must be documented

128.12 in the client's file. The comprehensive assessment is complete upon a qualified staff member's

128.13 dated signature. If the client received a comprehensive assessment that authorized the

128.14 treatment service, ~~an alcohol and drug counselor~~ a staff member qualified under paragraph

128.15 (b) may use the comprehensive assessment for requirements of this subdivision but must

128.16 document a review of the comprehensive assessment and update the comprehensive

128.17 assessment as clinically necessary to ensure compliance with this subdivision within

128.18 applicable timelines. ~~An alcohol and drug counselor~~ A staff member qualified under

128.19 paragraph (b) must sign and date the comprehensive assessment review and update.

128.20 Sec. 2. Minnesota Statutes 2024, section 245G.11, subdivision 7, is amended to read:

128.21 Subd. 7. **Treatment coordination provider qualifications.** (a) Treatment coordination

128.22 must be provided by qualified staff. An individual is qualified to provide treatment

128.23 coordination if the individual meets the qualifications of an alcohol and drug counselor

128.24 under subdivision 5 or if the individual:

128.25 (1) is skilled in the process of identifying and assessing a wide range of client needs;

128.26 (2) is knowledgeable about local community resources and how to use those resources

128.27 for the benefit of the client;

128.28 (3) has ~~successfully completed 30 hours of classroom instruction on treatment~~

128.29 ~~coordination for an individual with substance use disorder~~ specific training on substance

128.30 use disorder and co-occurring disorders that is consistent with national evidence-based

128.31 practices; and

128.32 (4) ~~has either~~ meets one of the following criteria:

129.1 (i) has a bachelor's degree in one of the behavioral sciences or related fields and at least
129.2 1,000 hours of supervised experience working with individuals with substance use disorder;
129.3 ~~or~~

129.4 (ii) has current certification as an alcohol and drug counselor, level I, by the Upper
129.5 Midwest Indian Council on Addictive Disorders; ~~and~~ or

129.6 (iii) is a mental health practitioner who meets the qualifications under section 245I.04,
129.7 subdivision 4.

129.8 ~~(5) has at least 2,000 hours of supervised experience working with individuals with~~
129.9 ~~substance use disorder.~~

129.10 (b) A treatment coordinator must receive at least one hour of supervision regarding
129.11 individual service delivery from an alcohol and drug counselor, or a mental health
129.12 professional who has substance use treatment and assessments within the scope of their
129.13 practice, on a monthly basis.

129.14 Sec. 3. Minnesota Statutes 2024, section 254B.05, subdivision 1, is amended to read:

129.15 Subdivision 1. **Licensure or certification required.** (a) Programs licensed by the
129.16 commissioner are eligible vendors. Hospitals may apply for and receive licenses to be
129.17 eligible vendors, notwithstanding the provisions of section 245A.03. American Indian
129.18 programs that provide substance use disorder treatment, extended care, transitional residence,
129.19 or outpatient treatment services, and are licensed by tribal government are eligible vendors.

129.20 (b) A licensed professional in private practice as defined in section 245G.01, subdivision
129.21 17, who meets the requirements of section 245G.11, subdivisions 1 and 4, is an eligible
129.22 vendor of a comprehensive assessment provided according to section 254A.19, subdivision
129.23 3, and treatment services provided according to sections 245G.06 and 245G.07, subdivision
129.24 1, paragraphs (a), clauses (1) to (5), and (b); and subdivision 2, clauses (1) to (6).

129.25 (c) A county is an eligible vendor for a comprehensive assessment when provided by
129.26 an individual who meets the staffing credentials of section 245G.11, subdivisions 1 and 5,
129.27 and completed according to the requirements of section 254A.19, subdivision 3. A county
129.28 is an eligible vendor of care coordination services when provided by an individual who
129.29 meets the staffing credentials of section 245G.11, subdivisions 1 and 7, and provided
129.30 according to the requirements of section 245G.07, subdivision 1, paragraph (a), clause (5).
129.31 A county is an eligible vendor of peer recovery services when the services are provided by
129.32 an individual who meets the requirements of section 245G.11, subdivision 8.

130.1 (d) A recovery community organization that meets the requirements of clauses (1) to
130.2 ~~(14)~~ (15) and meets certification or accreditation requirements of the Alliance for Recovery
130.3 Centered Organizations, the Council on Accreditation of Peer Recovery Support Services,
130.4 or a Minnesota statewide recovery organization identified by the commissioner is an eligible
130.5 vendor of peer recovery support services. A Minnesota statewide recovery organization
130.6 identified by the commissioner must update recovery community organization applicants
130.7 for certification or accreditation on the status of the application within 45 days of receipt.
130.8 If the approved statewide recovery organization denies an application, it must provide a
130.9 written explanation for the denial to the recovery community organization. Eligible vendors
130.10 under this paragraph must:

130.11 (1) be nonprofit organizations under section 501(c)(3) of the Internal Revenue Code, be
130.12 free from conflicting self-interests, and be autonomous in decision-making, program
130.13 development, peer recovery support services provided, and advocacy efforts for the purpose
130.14 of supporting the recovery community organization's mission;

130.15 (2) be led and governed by individuals in the recovery community, with more than 50
130.16 percent of the board of directors or advisory board members self-identifying as people in
130.17 personal recovery from substance use disorders;

130.18 (3) have a mission statement and conduct corresponding activities indicating that the
130.19 organization's primary purpose is to support recovery from substance use disorder;

130.20 (4) demonstrate ongoing community engagement with the identified primary region and
130.21 population served by the organization, including individuals in recovery and their families,
130.22 friends, and recovery allies;

130.23 (5) be accountable to the recovery community through documented priority-setting and
130.24 participatory decision-making processes that promote the engagement of, and consultation
130.25 with, people in recovery and their families, friends, and recovery allies;

130.26 (6) provide nonclinical peer recovery support services, including but not limited to
130.27 recovery support groups, recovery coaching, telephone recovery support, skill-building,
130.28 and harm-reduction activities, and provide recovery public education and advocacy;

130.29 (7) have written policies that allow for and support opportunities for all paths toward
130.30 recovery and refrain from excluding anyone based on their chosen recovery path, which
130.31 may include but is not limited to harm reduction paths, faith-based paths, and nonfaith-based
130.32 paths;

131.1 (8) maintain organizational practices to meet the needs of Black, Indigenous, and people
131.2 of color communities, LGBTQ+ communities, and other underrepresented or marginalized
131.3 communities. Organizational practices may include board and staff training, service offerings,
131.4 advocacy efforts, and culturally informed outreach and services;

131.5 (9) use recovery-friendly language in all media and written materials that is supportive
131.6 of and promotes recovery across diverse geographical and cultural contexts and reduces
131.7 stigma;

131.8 (10) establish and maintain a publicly available recovery community organization code
131.9 of ethics and grievance policy and procedures;

131.10 (11) not classify or treat any recovery peer hired on or after July 1, 2024, as an
131.11 independent contractor;

131.12 (12) not classify or treat any recovery peer as an independent contractor on or after
131.13 January 1, 2025;

131.14 (13) provide an orientation for recovery peers that includes an overview of the consumer
131.15 advocacy services provided by the Ombudsman for Mental Health and Developmental
131.16 Disabilities and other relevant advocacy services; ~~and~~

131.17 (14) provide notice to peer recovery support services participants that includes the
131.18 following statement: "If you have a complaint about the provider or the person providing
131.19 your peer recovery support services, you may contact the Minnesota Alliance of Recovery
131.20 Community Organizations. You may also contact the Office of Ombudsman for Mental
131.21 Health and Developmental Disabilities." The statement must also include:

131.22 (i) the telephone number, website address, email address, and mailing address of the
131.23 Minnesota Alliance of Recovery Community Organizations and the Office of Ombudsman
131.24 for Mental Health and Developmental Disabilities;

131.25 (ii) the recovery community organization's name, address, email, telephone number, and
131.26 name or title of the person at the recovery community organization to whom problems or
131.27 complaints may be directed; and

131.28 (iii) a statement that the recovery community organization will not retaliate against a
131.29 peer recovery support services participant because of a complaint; and

131.30 (15) comply with the requirements of section 245A.04, subdivision 15a.

131.31 (e) A recovery community organization approved by the commissioner before June 30,
131.32 2023, must have begun the application process as required by an approved certifying or

132.1 accrediting entity and have begun the process to meet the requirements under paragraph (d)
132.2 by September 1, 2024, in order to be considered as an eligible vendor of peer recovery
132.3 support services.

132.4 (f) A recovery community organization that is aggrieved by an accreditation, certification,
132.5 or membership determination and believes it meets the requirements under paragraph (d)
132.6 may appeal the determination under section 256.045, subdivision 3, paragraph (a), clause
132.7 (14), for reconsideration as an eligible vendor. If the human services judge determines that
132.8 the recovery community organization meets the requirements under paragraph (d), the
132.9 recovery community organization is an eligible vendor of peer recovery support services.

132.10 (g) All recovery community organizations must be certified or accredited by an entity
132.11 listed in paragraph (d) by June 30, 2025.

132.12 (h) Detoxification programs licensed under Minnesota Rules, parts 9530.6510 to
132.13 9530.6590, are not eligible vendors. Programs that are not licensed as a residential or
132.14 nonresidential substance use disorder treatment or withdrawal management program by the
132.15 commissioner or by tribal government or do not meet the requirements of subdivisions 1a
132.16 and 1b are not eligible vendors.

132.17 (i) Hospitals, federally qualified health centers, and rural health clinics are eligible
132.18 vendors of a comprehensive assessment when the comprehensive assessment is completed
132.19 according to section 254A.19, subdivision 3, and by an individual who meets the criteria
132.20 of an alcohol and drug counselor according to section 245G.11, subdivision 5. The alcohol
132.21 and drug counselor must be individually enrolled with the commissioner and reported on
132.22 the claim as the individual who provided the service.

132.23 (j) Any complaints about a recovery community organization or peer recovery support
132.24 services may be made to and reviewed or investigated by the ombudsperson for behavioral
132.25 health and developmental disabilities under sections 245.91 and 245.94.

132.26 Sec. 4. Minnesota Statutes 2024, section 254B.05, subdivision 5, is amended to read:

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

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

132.30 (1) those licensed, as applicable, according to chapter 245G or applicable Tribal license
132.31 and provided according to the following ASAM levels of care:

- 133.1 (i) ASAM level 0.5 early intervention services provided according to section 254B.19,
133.2 subdivision 1, clause (1);
- 133.3 (ii) ASAM level 1.0 outpatient services provided according to section 254B.19,
133.4 subdivision 1, clause (2);
- 133.5 (iii) ASAM level 2.1 intensive outpatient services provided according to section 254B.19,
133.6 subdivision 1, clause (3);
- 133.7 (iv) ASAM level 2.5 partial hospitalization services provided according to section
133.8 254B.19, subdivision 1, clause (4);
- 133.9 (v) ASAM level 3.1 clinically managed low-intensity residential services provided
133.10 according to section 254B.19, subdivision 1, clause (5). The commissioner shall use the
133.11 base payment rate of \$79.84 per day for services provided under this item;
- 133.12 (vi) ASAM level 3.1 clinically managed low-intensity residential services provided
133.13 according to section 254B.19, subdivision 1, clause (5), at 15 or more hours of skilled
133.14 treatment services each week. The commissioner shall use the base payment rate of \$166.13
133.15 per day for services provided under this item;
- 133.16 (vii) ASAM level 3.3 clinically managed population-specific high-intensity residential
133.17 services provided according to section 254B.19, subdivision 1, clause (6). The commissioner
133.18 shall use the specified base payment rate of \$224.06 per day for services provided under
133.19 this item; and
- 133.20 (viii) ASAM level 3.5 clinically managed high-intensity residential services provided
133.21 according to section 254B.19, subdivision 1, clause (7). The commissioner shall use the
133.22 specified base payment rate of \$224.06 per day for services provided under this item;
- 133.23 (2) comprehensive assessments provided according to section 254A.19, subdivision 3;
- 133.24 (3) treatment coordination services provided according to section 245G.07, subdivision
133.25 1, paragraph (a), clause (5);
- 133.26 (4) peer recovery support services provided according to section 245G.07, subdivision
133.27 2, clause (8);
- 133.28 (5) withdrawal management services provided according to chapter 245F;
- 133.29 (6) hospital-based treatment services that are licensed according to sections 245G.01 to
133.30 245G.17 or applicable Tribal license and licensed as a hospital under sections 144.50 to
133.31 144.56;

134.1 (7) substance use disorder treatment services with medications for opioid use disorder
134.2 provided in an opioid treatment program licensed according to sections 245G.01 to 245G.17
134.3 and 245G.22, or under an applicable Tribal license;

134.4 (8) medium-intensity residential treatment services that provide 15 hours of skilled
134.5 treatment services each week and are licensed according to sections 245G.01 to 245G.17
134.6 and 245G.21 or applicable Tribal license;

134.7 (9) adolescent treatment programs that are licensed as outpatient treatment programs
134.8 according to sections 245G.01 to 245G.18 or as residential treatment programs according
134.9 to Minnesota Rules, parts 2960.0010 to 2960.0220, and 2960.0430 to 2960.0490, or
134.10 applicable Tribal license;

134.11 (10) ASAM 3.5 clinically managed high-intensity residential services that are licensed
134.12 according to sections 245G.01 to 245G.17 and 245G.21 or applicable Tribal license, which
134.13 provide ASAM level of care 3.5 according to section 254B.19, subdivision 1, clause (7),
134.14 and are provided by a state-operated vendor or to clients who have been civilly committed
134.15 to the commissioner, present the most complex and difficult care needs, and are a potential
134.16 threat to the community; and

134.17 (11) room and board facilities that meet the requirements of subdivision 1a.

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

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

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

134.22 (A) is licensed under chapter 245A as a child care center under Minnesota Rules, chapter
134.23 9503; or

134.24 (B) is licensed under chapter 245A and sections 245G.01 to 245G.19; or

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

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

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

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

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

135.1 (4) programs that offer medical services delivered by appropriately credentialed health
135.2 care staff in an amount equal to one hour per client per week if the medical needs of the
135.3 client and the nature and provision of any medical services provided are documented in the
135.4 client file; or

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

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

135.8 (ii) the program employs a mental health professional as defined in section 245I.04,
135.9 subdivision 2;

135.10 (iii) clients scoring positive on a standardized mental health screen receive a mental
135.11 health diagnostic assessment within ten days of admission, excluding weekends and holidays;

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

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

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

135.19 (d) In order to be eligible for a higher rate under paragraph (c), clause (1), a program
135.20 that provides arrangements for off-site child care must maintain current documentation at
135.21 the substance use disorder facility of the child care provider's current licensure to provide
135.22 child care services.

135.23 (e) Adolescent residential programs that meet the requirements of Minnesota Rules,
135.24 parts 2960.0430 to 2960.0490 and 2960.0580 to 2960.0690, are exempt from the requirements
135.25 in paragraph (c), clause (5), items (i) to (iv).

135.26 (f) Substance use disorder services that are otherwise covered as direct face-to-face
135.27 services may be provided via telehealth as defined in section 256B.0625, subdivision 3b.
135.28 The use of telehealth to deliver services must be medically appropriate to the condition and
135.29 needs of the person being served. Reimbursement shall be at the same rates and under the
135.30 same conditions that would otherwise apply to direct face-to-face services.

135.31 (g) For the purpose of reimbursement under this section, substance use disorder treatment
135.32 services provided in a group setting without a group participant maximum or maximum

136.1 client to staff ratio under chapter 245G shall not exceed a client to staff ratio of 48 to one.
136.2 At least one of the attending staff must meet the qualifications as established under this
136.3 chapter for the type of treatment service provided. A recovery peer may not be included as
136.4 part of the staff ratio.

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

136.8 (i) Payment for substance use disorder services under this section must start from the
136.9 day of service initiation, when the comprehensive assessment is completed within the
136.10 required timelines.

136.11 (j) A license holder that is unable to provide all residential treatment services because
136.12 a client missed services remains eligible to bill for the client's intensity level of services
136.13 under this paragraph if the license holder can document the reason the client missed services
136.14 and the interventions done to address the client's absence.

136.15 (k) Hours in a treatment week may be reduced in observance of federally recognized
136.16 holidays.

136.17 (l) Eligible vendors of peer recovery support services must:

136.18 (1) submit to a review by the commissioner of up to ten percent of all medical assistance
136.19 and behavioral health fund claims to determine the medical necessity of peer recovery
136.20 support services for entities billing for peer recovery support services individually and not
136.21 receiving a daily rate; and

136.22 (2) limit an individual client to 14 hours per week for peer recovery support services
136.23 from an individual provider of peer recovery support services.

136.24 (m) Peer recovery support services not provided in accordance with section 254B.052
136.25 are subject to monetary recovery under section 256B.064 as money improperly paid.

136.26 Sec. 5. **[256G.061] WITHDRAWAL MANAGEMENT SERVICES.**

136.27 The county of financial responsibility for withdrawal management services is defined
136.28 in section 256G.02, subdivision 4.

ARTICLE 5**MISCELLANEOUS POLICY**

Section 1. Minnesota Statutes 2024, section 62Q.75, subdivision 3, is amended to read:

Subd. 3. **Claims filing.** (a) Unless otherwise provided by contract, by section 16A.124, subdivision 4a, or by federal law, the health care providers and facilities specified in subdivision 2 must submit their charges to a health plan company or third-party administrator within six months from the date of service or the date the health care provider knew or was informed of the correct name and address of the responsible health plan company or third-party administrator, whichever is later.

(b) A health care provider or facility that does not make an initial submission of charges within the six-month period in paragraph (a), the 12-month period in paragraph (c), or the additional six-month period in paragraph (d) shall not be reimbursed for the charge and may not collect the charge from the recipient of the service or any other payer.

(c) The six-month submission requirement in paragraph (a) may be extended to 12 months in cases where a health care provider or facility specified in subdivision 2 has determined and can substantiate that it has experienced a significant disruption to normal operations that materially affects the ability to conduct business in a normal manner and to submit claims on a timely basis.

(d) The six-month submission requirement in paragraph (a) may be extended an additional six months if a health plan company or third-party administrator makes any adjustment or recoupment of payment. The additional six months begins on the date the health plan company or third-party administrator adjusts or recoups the payment.

(e) Any request by a health care provider or facility specified in subdivision 2 for an exception to a contractually defined claims submission timeline must be reviewed and acted upon by the health plan company within the same time frame as the contractually agreed upon claims filing timeline.

(f) This subdivision also applies to all health care providers and facilities that submit charges to workers' compensation payers for treatment of a workers' compensation injury compensable under chapter 176, or to reparation obligors for treatment of an injury compensable under chapter 65B."

Amend the title accordingly