

1.1 Senator moves to amend the delete-everything amendment (SCS3054A-8)
1.2 to S.F. No. 3054 as follows:

1.3 Page 101, delete section 59, and insert:

1.4 "Sec. 59. **REPEALER.**

1.5 (a) Laws 2024, chapter 127, article 46, section 39, is repealed.

1.6 (b) Laws 2023, chapter 59, article 3, section 11, is repealed."

1.7 Page 129, after line 15, insert:

1.8 "Sec. 35. Minnesota Statutes 2024, section 256.043, subdivision 3, is amended to read:

1.9 Subd. 3. **Appropriations from registration and license fee account.** (a) The
1.10 appropriations in paragraphs (b) to (n) shall be made from the registration and license fee
1.11 account on a fiscal year basis in the order specified.

1.12 (b) The appropriations specified in Laws 2019, chapter 63, article 3, section 1, paragraphs
1.13 (b), (f), (g), and (h), as amended by Laws 2020, chapter 115, article 3, section 35, shall be
1.14 made accordingly.

1.15 (c) \$100,000 is appropriated to the commissioner of human services for grants for opiate
1.16 antagonist distribution. Grantees may utilize funds for opioid overdose prevention,
1.17 community asset mapping, education, and opiate antagonist distribution.

1.18 (d) \$2,000,000 is appropriated to the commissioner of human services for grants to Tribal
1.19 nations and five urban Indian communities for traditional healing practices for American
1.20 Indians and to increase the capacity of culturally specific providers in the behavioral health
1.21 workforce.

1.22 (e) \$400,000 is appropriated to the commissioner of human services for competitive
1.23 grants for opioid-focused Project ECHO programs.

1.24 (f) \$277,000 in fiscal year 2024 and \$321,000 each year thereafter is appropriated to the
1.25 commissioner of human services to administer the funding distribution and reporting
1.26 requirements in paragraph (o).

1.27 (g) \$3,000,000 in fiscal year 2025 and \$3,000,000 each year thereafter is appropriated
1.28 to the commissioner of human services for safe recovery sites start-up and capacity building
1.29 grants under section 254B.18. This paragraph expires June 30, 2025.

(h) \$395,000 in fiscal year 2024 and \$415,000 each year thereafter is appropriated to the commissioner of human services for the opioid overdose surge alert system under section 245.891.

(i) \$300,000 is appropriated to the commissioner of management and budget for evaluation activities under section 256.042, subdivision 1, paragraph (c).

(j) \$261,000 is appropriated to the commissioner of human services for the provision of administrative services to the Opiate Epidemic Response Advisory Council and for the administration of the grants awarded under paragraph (n).

(k) \$126,000 is appropriated to the Board of Pharmacy for the collection of the registration fees under section 151.066.

(l) \$672,000 is appropriated to the commissioner of public safety for the Bureau of Criminal Apprehension. Of this amount, \$384,000 is for drug scientists and lab supplies and \$288,000 is for special agent positions focused on drug interdiction and drug trafficking.

(m) After the appropriations in paragraphs (b) to (l) are made, 50 percent of the remaining amount is appropriated to the commissioner of children, youth, and families for distribution to county social service agencies and Tribal social service agency initiative projects authorized under section 256.01, subdivision 14b, to provide prevention and child protection services to children and families who are affected by addiction. The commissioner shall distribute this money proportionally to county social service agencies and Tribal social service agency initiative projects through a formula based on intake data from the previous three calendar years related to substance use and out-of-home placement episodes where parental drug abuse is a reason for the out-of-home placement. County social service agencies and Tribal social service agency initiative projects receiving funds from the opiate epidemic response fund must annually report to the commissioner on how the funds were used to provide prevention and child protection services, including measurable outcomes, as determined by the commissioner. County social service agencies and Tribal social service agency initiative projects must not use funds received under this paragraph to supplant current state or local funding received for child protection services for children and families who are affected by addiction.

(n) After the appropriations in paragraphs (b) to (m) are made, the remaining amount in the account is appropriated to the commissioner of human services to award grants as specified by the Opiate Epidemic Response Advisory Council in accordance with section 256.042, unless otherwise appropriated by the legislature.

(o) Beginning in fiscal year 2022 and each year thereafter, funds for county social service agencies and Tribal social service agency initiative projects under paragraph (m) and grant funds specified by the Opiate Epidemic Response Advisory Council under paragraph (n) may be distributed on a calendar year basis.

(p) Notwithstanding section 16A.28, subdivision 3, funds appropriated in paragraphs (c), (d), (e), (g), (m), and (n) are available for three years after the funds are appropriated.

Sec. 36. Minnesota Statutes 2024, section 256.043, is amended by adding a subdivision to read:

Subd. 5. Transfers from registration and license fee account. The commissioner of management and budget shall transfer \$1,000,000 in fiscal year 2026 and \$1,000,000 each year thereafter from the registration and license fee account under subdivision 3 to the general fund. "

Page 143, after line 27, insert:

"Sec. 3. Minnesota Statutes 2024, section 256B.766, is amended to read:

256B.766 REIMBURSEMENT FOR BASIC CARE SERVICES.

Subdivision 1. Payment reductions for base care services effective July 1, 2009. ~~(a)~~ Effective for services provided on or after July 1, 2009, total payments for basic care services, shall be reduced by three percent, except that for the period July 1, 2009, through June 30, 2011, total payments shall be reduced by 4.5 percent for the medical assistance and general assistance medical care programs, prior to third-party liability and spenddown calculation.

Subd. 2. Classification of therapies as basic care services. ~~Effective July 1, 2010;~~ The commissioner shall classify physical therapy services, occupational therapy services, and speech-language pathology and related services as basic care services. The reduction in ~~this paragraph~~ subdivision 1 shall apply to physical therapy services, occupational therapy services, and speech-language pathology and related services provided on or after July 1, 2010.

Subd. 3. Payment reductions to managed care plans effective October 1, 2009. ~~(b)~~ Payments made to managed care plans and county-based purchasing plans shall be reduced for services provided on or after October 1, 2009, to reflect the reduction in subdivision 1 effective July 1, 2009, and payments made to the plans shall be reduced effective October 1, 2010, to reflect the reduction in subdivision 1 effective July 1, 2010.

4.1 **Subd. 4. Temporary payment reductions effective September 1, 2011.** ~~(e)~~ (a) Effective
4.2 for services provided on or after September 1, 2011, through June 30, 2013, total payments
4.3 for outpatient hospital facility fees shall be reduced by five percent from the rates in effect
4.4 on August 31, 2011.

4.5 ~~(d)~~ (b) Effective for services provided on or after September 1, 2011, through June 30,
4.6 2013, total payments for ambulatory surgery centers facility fees, medical supplies and
4.7 durable medical equipment not subject to a volume purchase contract, prosthetics and
4.8 orthotics, renal dialysis services, laboratory services, public health nursing services, physical
4.9 therapy services, occupational therapy services, speech therapy services, eyeglasses not
4.10 subject to a volume purchase contract, hearing aids not subject to a volume purchase contract,
4.11 and anesthesia services shall be reduced by three percent from the rates in effect on August
4.12 31, 2011.

4.13 **Subd. 5. Payment increases effective September 1, 2014.** ~~(e)~~ (a) Effective for services
4.14 provided on or after September 1, 2014, payments for ambulatory surgery centers facility
4.15 fees, hospice services, renal dialysis services, laboratory services, public health nursing
4.16 services, eyeglasses not subject to a volume purchase contract, and hearing aids not subject
4.17 to a volume purchase contract shall be increased by three percent and payments for outpatient
4.18 hospital facility fees shall be increased by three percent.

4.19 (b) Payments made to managed care plans and county-based purchasing plans shall not
4.20 be adjusted to reflect payments under this ~~paragraph~~ subdivision.

4.21 **Subd. 6. Temporary payment reductions effective July 1, 2014.** ~~(f)~~ Payments for
4.22 medical supplies and durable medical equipment not subject to a volume purchase contract,
4.23 and prosthetics and orthotics, provided on or after July 1, 2014, through June 30, 2015, shall
4.24 be decreased by .33 percent.

4.25 **Subd. 7. Payment increases effective July 1, 2015.** (a) Payments for medical supplies
4.26 and durable medical equipment not subject to a volume purchase contract, and prosthetics
4.27 and orthotics, provided on or after July 1, 2015, shall be increased by three percent from
4.28 the rates as determined under ~~paragraphs (i) and (j)~~ subdivisions 9 and 10.

4.29 ~~(g)~~ (b) Effective for services provided on or after July 1, 2015, payments for outpatient
4.30 hospital facility fees, medical supplies and durable medical equipment not subject to a
4.31 volume purchase contract, prosthetics, and orthotics to a hospital meeting the criteria specified
4.32 in section 62Q.19, subdivision 1, paragraph (a), clause (4), shall be increased by 90 percent
4.33 from the rates in effect on June 30, 2015.

(c) Payments made to managed care plans and county-based purchasing plans shall not be adjusted to reflect payments under ~~this paragraph~~ (b).

Subd. 8. Exempt services. ~~(h)~~ This section does not apply to physician and professional services, inpatient hospital services, family planning services, mental health services, dental services, prescription drugs, medical transportation, federally qualified health centers, rural health centers, Indian health services, and Medicare cost-sharing.

Subd. 9. Individually priced items. ~~(i)~~ (a) Effective for services provided on or after July 1, 2015, the following categories of medical supplies and durable medical equipment shall be individually priced items: customized and other specialized tracheostomy tubes and supplies, electric patient lifts, and durable medical equipment repair and service.

~~(b)~~ This ~~paragraph~~ subdivision does not apply to medical supplies and durable medical equipment subject to a volume purchase contract, products subject to the preferred diabetic testing supply program, and items provided to dually eligible recipients when Medicare is the primary payer for the item.

(c) The commissioner shall not apply any medical assistance rate reductions to durable medical equipment as a result of Medicare competitive bidding.

Subd. 10. Rate increases effective July 1, 2015. ~~(j)~~ (a) Effective for services provided on or after July 1, 2015, medical assistance payment rates for durable medical equipment, prosthetics, orthotics, or supplies shall be increased as follows:

(1) payment rates for durable medical equipment, prosthetics, orthotics, or supplies that were subject to the Medicare competitive bid that took effect in January of 2009 shall be increased by 9.5 percent; and

(2) payment rates for durable medical equipment, prosthetics, orthotics, or supplies on the medical assistance fee schedule, whether or not subject to the Medicare competitive bid that took effect in January of 2009, shall be increased by 2.94 percent, with this increase being applied after calculation of any increased payment rate under clause (1).

~~This (b) Paragraph (a)~~ does not apply to medical supplies and durable medical equipment subject to a volume purchase contract, products subject to the preferred diabetic testing supply program, items provided to dually eligible recipients when Medicare is the primary payer for the item, and individually priced items identified in ~~paragraph (i)~~ subdivision 9.

(c) Payments made to managed care plans and county-based purchasing plans shall not be adjusted to reflect the rate increases in this ~~paragraph~~ subdivision.

6.1 **Subd. 11. Rates for ventilators.** ~~(k)~~ (a) Effective for nonpressure support ventilators
6.2 provided on or after January 1, 2016, the rate shall be the lower of the submitted charge or
6.3 the Medicare fee schedule rate.

6.4 (b) Effective for pressure support ventilators provided on or after January 1, 2016, the
6.5 rate shall be the lower of the submitted charge or 47 percent above the Medicare fee schedule
6.6 rate.

6.7 (c) For payments made in accordance with this ~~paragraph~~ subdivision, if, and to the
6.8 extent that, the commissioner identifies that the state has received federal financial
6.9 participation for ventilators in excess of the amount allowed effective January 1, 2018,
6.10 under United States Code, title 42, section 1396b(i)(27), the state shall repay the excess
6.11 amount to the Centers for Medicare and Medicaid Services with state funds and maintain
6.12 the full payment rate under this ~~paragraph~~ subdivision.

6.13 **Subd. 12. Rates subject to the upper payment limit.** ~~(l)~~ Payment rates for durable
6.14 medical equipment, prosthetics, orthotics or supplies, that are subject to the upper payment
6.15 limit in accordance with section 1903(i)(27) of the Social Security Act, shall be paid the
6.16 Medicare rate. Rate increases provided in this chapter shall not be applied to the items listed
6.17 in this ~~paragraph~~ subdivision.

6.18 **Subd. 13. Temporary rates for enteral nutrition and supplies.** ~~(m)~~ (a) For dates of
6.19 service on or after July 1, 2023, through June 30, ~~2025~~ 2027, enteral nutrition and supplies
6.20 must be paid according to this ~~paragraph~~ subdivision. If sufficient data exists for a product
6.21 or supply, payment must be based upon the 50th percentile of the usual and customary
6.22 charges per product code submitted to the commissioner, using only charges submitted per
6.23 unit. Increases in rates resulting from the 50th percentile payment method must not exceed
6.24 150 percent of the previous fiscal year's rate per code and product combination. Data are
6.25 sufficient if: (1) the commissioner has at least 100 paid claim lines by at least ten different
6.26 providers for a given product or supply; or (2) in the absence of the data in clause (1), the
6.27 commissioner has at least 20 claim lines by at least five different providers for a product or
6.28 supply that does not meet the requirements of clause (1). If sufficient data are not available
6.29 to calculate the 50th percentile for enteral products or supplies, the payment rate must be
6.30 the payment rate in effect on June 30, 2023.

6.31 (b) This subdivision expires June 30, 2027.

6.32 **Subd. 14. Rates for enteral nutrition and supplies.** ~~(n)~~ For dates of service on or after
6.33 July 1, ~~2025~~ 2027, enteral nutrition and supplies must be paid according to this ~~paragraph~~
6.34 subdivision and updated annually each January 1. If sufficient data exists for a product or

supply, payment must be based upon the 50th percentile of the usual and customary charges per product code submitted to the commissioner for the previous calendar year, using only charges submitted per unit. Increases in rates resulting from the 50th percentile payment method must not exceed 150 percent of the previous year's rate per code and product combination. Data are sufficient if: (1) the commissioner has at least 100 paid claim lines by at least ten different providers for a given product or supply; or (2) in the absence of the data in clause (1), the commissioner has at least 20 claim lines by at least five different providers for a product or supply that does not meet the requirements of clause (1). If sufficient data are not available to calculate the 50th percentile for enteral products or supplies, the payment must be the manufacturer's suggested retail price of that product or supply minus 20 percent. If the manufacturer's suggested retail price is not available, payment must be the actual acquisition cost of that product or supply plus 20 percent.

Subd. 15. **Payments based on manufacturer's suggested retail price.** For medical supplies and equipment payments based on the manufacturer's suggested retail price methodology set forth in Minnesota Rules, part 9505.0445, item S, the commissioner shall establish the payment amount on an annual basis for tracheostomy tubes, low profile feeding tubes, and feeding tube extension sets."

Page 228, after line 23, insert:

"Sec. 23. Laws 2024, chapter 127, article 53, section 2, subdivision 13, is amended to read:

Subd. 13. Grant Programs; Aging and Adult Services Grants	-0-	4,500,000
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(a) Caregiver Respite Services Grants.
\$2,000,000 in fiscal year 2025 is for caregiver respite services grants under Minnesota Statutes, section 256.9756. This is a onetime appropriation. Notwithstanding Minnesota Statutes, section 16A.28, subdivision 3, this appropriation is available until June 30, 2027.

(b) Caregiver Support Programs.
\$2,500,000 in fiscal year 2025 is for the Minnesota Board on Aging for the purposes of the caregiver support programs under Minnesota Statutes, section 256.9755.

- 8.1 Programs receiving funding under this
- 8.2 paragraph must include an ALS-specific
- 8.3 respite service in their caregiver support
- 8.4 program. This is a onetime appropriation.
- 8.5 Notwithstanding Minnesota Statutes, section
- 8.6 16A.28, subdivision 3, this appropriation is
- 8.7 available until June 30, ~~2027~~ 2028."
- 8.8 Renumber the sections in sequence and correct the internal references
- 8.9 Amend the title accordingly